

# MONTGOMERY COUNTY MARYLAND

## *Comprehensive Annual Financial Report*



*Fiscal Year 2003*

**July 1, 2002 - June 30, 2003**  
**Rockville, Maryland**

**Montgomery County, Maryland**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Fiscal Year Ended June 30, 2003**  
**TABLE OF CONTENTS**

<b>Exhibit</b>	<b>Description</b>	<b>Page</b>
<b>INTRODUCTORY SECTION</b>		
	Transmittal Letter	ix
	Acknowledgments	xxxï
	Organization Chart	xxxii
	Listing of Officials	xxxiii
<b>FINANCIAL SECTION</b>		
	Independent Auditors' Report	1
	Management's Discussion and Analysis	3
<b>BASIC FINANCIAL STATEMENTS</b>		
<b>Government-wide:</b>		
A-1	Statement of Net Assets	22
A-2	Statement of Activities	24
<b>Funds:</b>		
A-3	Balance Sheet – Governmental Funds	26
A-4	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	27
A-5	Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	28
A-6	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
A-7	Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	30
A-8	Statement of Net Assets – Proprietary Funds	34
A-9	Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	35
A-10	Statement of Cash Flows – Proprietary Funds	36
A-11	Statement of Fiduciary Net Assets – Fiduciary Funds	37
A-12	Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	38
<b>Component Units:</b>		
A-13	Statement of Net Assets – Component Units	39
A-14	Statement of Activities – Component Units	40
	Notes to the Financial Statements	41
<b>SUPPLEMENTARY DATA – Combining and Individual Fund Financial Statements and Supplementary Schedules</b>		
<b>GOVERNMENTAL FUNDS</b>		
B-1	Combining Balance Sheet – Nonmajor Governmental Funds	104
B-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	106
B-3	Combining Balance Sheet – Nonmajor Governmental Funds – Special Taxing Districts	108
B-4	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds – Special Taxing Districts	109
B-5	Combining Balance Sheet – Nonmajor Governmental Funds – Housing Activities	110

**Montgomery County, Maryland**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Fiscal Year Ended June 30, 2003**  
**TABLE OF CONTENTS, Continued**

<b>Exhibit</b>	<b>Description</b>	<b>Page</b>
B-6	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds – Housing Activities	111
B-7	Combining Balance Sheet – Nonmajor Governmental Funds - Other	112
B-8	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds - Other	113
	Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
B-9	Debt Service	114
B-10	Capital Projects	115
B-11	Recreation	116
B-12	Fire Tax District	117
B-13	Mass Transit Facilities	118
B-14	Urban Districts	119
B-15	Noise Abatement Districts	121
B-16	Housing Initiative	122
B-17	Rehabilitation Loan	123
B-18	New Home Warranty Security	124
B-19	Revenue Stabilization	124
B-20	Economic Development	125
B-21	Cable TV	126
B-22	Grants	127
B-23	Drug Enforcement Forfeitures	129
B-24	Water Quality Protection	129
B-25	Restricted Donations	130
	<b>ENTERPRISE FUNDS</b>	
C-1	Combining Statement of Net Assets – Nonmajor Enterprise Funds	132
C-2	Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Nonmajor Enterprise Funds	133
C-3	Combining Statement of Cash Flows – Nonmajor Enterprise Funds	134
C-4	Schedule of Expenses – Budget and Actual – Enterprise Funds	135
	<b>INTERNAL SERVICE FUNDS</b>	
D-1	Combining Statement of Net Assets – Internal Service Funds	140
D-2	Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds	141
D-3	Combining Statement of Cash Flows – Internal Service Funds	142
D-4	Schedule of Expenses – Budget and Actual – Internal Service Funds	143
	<b>FIDUCIARY FUNDS</b>	
E-1	Combining Statement of Fiduciary Net Assets – Pension and Other Employee Benefit Trust Funds	145
E-2	Combining Statement of Changes in Fiduciary Net Assets – Pension and Other Employee Benefit Trust Funds	146
E-3	Combining Statement of Fiduciary Net Assets – Private Purpose Trust Funds	147
E-4	Combining Statement of Changes in Fiduciary Net Assets – Private Purpose Trust Funds	148
E-5	Combining Statement of Changes in Assets and Liabilities	149

**Montgomery County, Maryland**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Fiscal Year Ended June 30, 2003**  
**TABLE OF CONTENTS, Concluded**

<b>Exhibit</b>	<b>Description</b>	<b>Page</b>
<b>COMPONENT UNITS</b>		
F-1	Combining Statement of Net Assets – Nonmajor Component Units	152
F-2	Combining Statement of Activities – Nonmajor Component Units	153
<b>CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS</b>		
G-1	Schedule By Source	155
G-2	Schedule By Function	156
G-3	Schedule of Changes By Function	157
<b>STATISTICAL SECTION – “Unaudited”</b>		
<b><u>Table</u></b>		
1	General Governmental Expenditures by Function - Last Ten Fiscal Years	162
2	General Revenues by Source - Last Ten Fiscal Years	163
3	Property Tax Levies and Collections - Last Ten Fiscal Years	163
4	Schedule of Fiscal Year Property Tax Levy, Property Tax Revenues, and Additional Items Related to the Property Tax Billing	164
5	Schedule of Property Taxes Receivable by Fund Type	165
6-a	Tax Rates and Tax Levies - Last Ten Fiscal Years - Taxes Applicable to Entire County and M-NCPPC	166
6-b	Tax Rates and Tax Levies - Last Ten Fiscal Years - Special Taxing Districts	167
6-c	Tax Rates and Tax Levies - Last Ten Fiscal Years - Towns and Cities	168
6-d	Tax Rates and Tax Levies - Last Ten Fiscal Years - Villages	169
7	Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	170
8	Ten Highest Commercial Property Taxpayers	171
9	Analysis of Change in Real Property Tax Base, By Classification of Property - Last Ten Fiscal Years	172
10	Building Permits, Market Value of New Construction Added to Taxable Real Property Tax Base, Commercial Bank Deposits, and Estimated Market Value of Taxable Real Property - Last Ten Fiscal Years	173
11	Demographic Statistics - Last Ten Fiscal Years	174
12	Special Assessment Collections - Last Ten Fiscal Years	175
13	Ratio of Net Direct Debt to Assessed Value and Net Direct Debt Per Capita - Last Ten Fiscal Years	176
14	Computation of Legal Debt Margin	177
15	Computation of Net Direct and Overlapping Debt	178
16	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures - Last Ten Fiscal Years	179
17	Revenue Bond Coverage - Last Ten Fiscal Years	180
18	Combined Schedule of "Cash and Investments" and "Investment and Interest Income" - All Funds	182
19	Combined Schedule of Cash and Investments - By Financial Institution	183
20	Combined Schedule of Investments	183
21	Schedule of Cumulative Appropriations, Expenditures, and Encumbrances - Capital Projects	184
22	Schedule of Revenues, Expenses, and Changes in Net Assets by Participant - Liability and Property Coverage and Employee Health Benefits Self-Insurance Funds	191
23	Schedule of Insurance in Force - Liability and Property Coverage Self-Insurance Internal Service Fund	193
24	Miscellaneous Statistical Data	194
<b>INDEX</b>		
	Fund Titles	197

## **SUPPLEMENTARY DATA**

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

#### Special Taxing Districts:

**RECREATION** - Accounts for the fiscal activity within the County-wide Recreation District.

**FIRE TAX DISTRICT** - Accounts for the fiscal activities related to providing fire and rescue services throughout Montgomery County. To a great extent, tax revenues are distributed to independent fire and rescue corporations that provide these services.

**MASS TRANSIT FACILITIES** - Accounts for the fiscal activities of planning, developing, and financing transit facilities within the County-wide Mass Transit District.

**URBAN DISTRICTS** - Bethesda; Silver Spring; Wheaton: Accounts for the fiscal activity related to the maintenance and enhancement of the business districts of these communities.

**NOISE ABATEMENT DISTRICTS** - Bradley and Cabin John: Accounts for the fiscal activity related to the accumulation of resources to pay debt service on bonds issued to finance the construction of noise abatement barriers along Interstate 495 (the "beltway").

#### Housing Activities:

**HOUSING INITIATIVE** - Accounts for the fiscal activity for financing, supplementing, and constructing affordable residential facilities for eligible participants.

**REHABILITATION LOAN** - Accounts for loans to homeowners of eligible income to finance rehabilitation required to make their homes conform to applicable Montgomery County Code requirements.

**NEW HOME WARRANTY SECURITY** - Accounts for the collections of warranty fees from builders and the payments of homeowner claims against builders.

**REVENUE STABILIZATION** - Accounts for the accumulation of resources during periods of economic growth and prosperity, when revenue collections exceed estimates. Funds may then be drawn upon during periods of economic slowdown, when collections fall short of revenue estimates.

**ECONOMIC DEVELOPMENT** - Accounts for the economic development programs of the County, comprised of loans and grants, which are designed to assist private employers who are located or plan to locate or substantially expand operations in the County.

**CABLE TV** - Accounts for the franchise fee and gross receipts revenues and the administration of cable television activities in the County.

**GRANTS** - Accounts for the Federal and State grant-funded activities of the tax-supported General Fund and special revenue funds.

Other:

**AGRICULTURAL TRANSFER TAX** - Accounts for agricultural transfer tax revenues to be used for an approved agricultural land preservation program.

**RESTRICTED DONATIONS** - Accounts for donations and contributions received by the County that are restricted for use in specific County programs.

**DRUG ENFORCEMENT FORFEITURES** - Accounts for the fiscal activity of cash and other property forfeited to the County during drug enforcement operations. These resources are used for law enforcement and public education programs.

**WATER QUALITY PROTECTION** - Accounts for the fiscal activity relating to maintenance of certain storm water management facilities.

**Permanent Fund**

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

**HOC TREASURY BONDS** - Accounts for bond purchases and interest used to fund Housing Opportunities Commission activities, where the principal must be preserved intact.

**MAJOR GOVERNMENTAL FUNDS**

This section also includes budget-to-actual schedules for the following major government funds:

**DEBT SERVICE**  
**CAPITAL PROJECTS**

MONTGOMERY COUNTY, MARYLAND  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2003  
**Exhibit B-1**

	Special Revenue Funds			
	Special Taxing Districts	Housing Activities	Revenue Stabilization	Economic Development
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 27,690,213	\$ 7,955,050	\$ 87,157,352	\$ 1,888,112
Cash	10,200	-	-	-
Investments	-	-	-	-
Receivables:				
Taxes	6,598,980	-	-	-
Accounts	297,177	-	-	-
Notes	-	-	-	2,114,810
Mortgages	-	45,203,302	-	-
Interest	-	-	-	-
Other	61,397	-	-	-
Due from other funds	1,615,047	-	-	-
Due from component units	433	17,788,667	-	-
Due from other governments	1,141,770	-	-	-
Prepays	335,859	-	-	-
Total Assets	<u>\$ 37,751,076</u>	<u>\$ 70,947,019</u>	<u>\$ 87,157,352</u>	<u>\$ 4,002,922</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 2,244,733	\$ 981,837	\$ -	\$ -
Accrued liabilities	4,178,876	4,596	-	2,844
Deposits	42,508	-	-	-
Due to other funds	1,657,088	1,227	-	507
Due to component units	51,173	48,536	-	-
Due to other governments	235,063	-	-	-
Deferred revenue	7,845,629	2,213,405	-	-
Total Liabilities	<u>16,255,070</u>	<u>3,249,601</u>	<u>-</u>	<u>3,351</u>
Fund Balances:				
Reserved for:				
Encumbrances	11,072,247	285,595	-	-
Long-term receivables	65,020	60,778,564	-	2,114,810
Prepays	335,859	-	-	-
Fire-Rescue Grant	1,455,830	-	-	-
Donor-specified purposes	-	-	-	-
Other purposes	-	-	-	-
Total Reserved	<u>12,928,956</u>	<u>61,064,159</u>	<u>-</u>	<u>2,114,810</u>
Unreserved:				
Designated for subsequent years' expenditures	2,882,239	6,607,445	-	1,884,761
Designated for transfers to Capital Projects Fund	511,079	25,814	-	-
Undesignated	5,173,732	-	87,157,352	-
Total Unreserved	<u>8,567,050</u>	<u>6,633,259</u>	<u>87,157,352</u>	<u>1,884,761</u>
Total Fund Balances	<u>21,496,006</u>	<u>67,697,418</u>	<u>87,157,352</u>	<u>3,999,571</u>
Total Liabilities and Fund Balances	<u>\$ 37,751,076</u>	<u>\$ 70,947,019</u>	<u>\$ 87,157,352</u>	<u>\$ 4,002,922</u>



				Permanent Fund	Total
				HOC	Nonmajor
Cable	Grants	Other	Total	Treasury	Governmental
TV				Bonds	Funds
\$ 5,921,375	\$ 1,365,990	\$ 10,738,227	\$ 142,716,319	\$ 521,476	\$ 143,237,795
-	-	25,000	35,200	-	35,200
-	-	-	-	7,173,294	7,173,294
-	-	-	6,598,980	-	6,598,980
2,025,673	71,648	24,161	2,418,659	-	2,418,659
-	1,438,778	-	3,553,588	-	3,553,588
-	22,640,349	-	67,843,651	-	67,843,651
-	-	-	-	105,227	105,227
-	-	-	61,397	-	61,397
-	-	450	1,615,497	-	1,615,497
-	5,234,932	-	23,024,032	82,285	23,106,317
-	13,725,491	-	14,867,261	-	14,867,261
166,613	2,510	1,210	506,192	-	506,192
<u>\$ 8,113,661</u>	<u>\$ 44,479,698</u>	<u>\$ 10,789,048</u>	<u>\$ 263,240,776</u>	<u>\$ 7,882,282</u>	<u>\$ 271,123,058</u>
\$ 477,814	\$ 7,471,503	\$ 31,018	\$ 11,206,905	\$ -	\$ 11,206,905
27,028	813,196	13,486	5,040,026	-	5,040,026
132,910	-	-	175,418	-	175,418
5,668	163,994	4,229	1,832,713	-	1,832,713
-	1,136,856	-	1,236,565	-	1,236,565
-	5,335,097	15,624	5,585,784	-	5,585,784
77,820	29,559,052	24,161	39,720,067	187,512	39,907,579
<u>721,240</u>	<u>44,479,698</u>	<u>88,518</u>	<u>64,797,478</u>	<u>187,512</u>	<u>64,984,990</u>
1,312,759	-	317,287	12,987,888	-	12,987,888
-	-	-	62,958,394	-	62,958,394
166,613	-	1,210	503,682	-	503,682
-	-	-	1,455,830	-	1,455,830
-	-	970,098	970,098	-	970,098
-	-	-	-	7,694,770	7,694,770
<u>1,479,372</u>	<u>-</u>	<u>1,288,595</u>	<u>78,875,892</u>	<u>7,694,770</u>	<u>86,570,662</u>
3,285,380	-	1,206,352	15,866,177	-	15,866,177
2,384,424	-	458,677	3,379,994	-	3,379,994
243,245	-	7,746,906	100,321,235	-	100,321,235
5,913,049	-	9,411,935	119,567,406	-	119,567,406
7,392,421	-	10,700,530	198,443,298	7,694,770	206,138,068
<u>\$ 8,113,661</u>	<u>\$ 44,479,698</u>	<u>\$ 10,789,048</u>	<u>\$ 263,240,776</u>	<u>\$ 7,882,282</u>	<u>\$ 271,123,058</u>

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-2**

	Special Revenue Funds			
	Special Taxing Districts	Housing Activities	Revenue Stabilization	Economic Development
<b>REVENUES</b>				
Taxes	\$ 161,358,929	\$ -	\$ -	\$ -
Licenses and permits	1,346,497	-	-	-
Intergovernmental	24,669,329	-	-	250,000
Charges for services	17,634,408	191,853	-	-
Fines and forfeitures	751,446	2,500	-	-
Investment income	1,133,424	315,812	1,342,360	119,024
Miscellaneous	142,408	1,287,215	-	226,800
Total Revenues	<u>207,036,441</u>	<u>1,797,380</u>	<u>1,342,360</u>	<u>595,824</u>
<b>EXPENDITURES</b>				
General government	4,308,601	-	-	831,157
Public safety	111,134,026	4,649,024	-	-
Public works and transportation	66,502,888	-	-	-
Health and human services	-	-	-	-
Culture and recreation	20,039,163	-	-	-
Community development and housing	-	-	-	-
Environment	-	-	-	-
Total Expenditures	<u>201,984,678</u>	<u>4,649,024</u>	<u>-</u>	<u>831,157</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>5,051,763</u>	<u>(2,851,644)</u>	<u>1,342,360</u>	<u>(235,333)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	13,974,298	11,937,810	-	344,400
Transfers (out)	(22,126,229)	(531,713)	(1,342,360)	(110,360)
Sale of property	-	2,031,991	-	-
Financing under notes payable	1,136,112	-	-	-
Total Other Financing Sources (Uses)	<u>(7,015,819)</u>	<u>13,438,088</u>	<u>(1,342,360)</u>	<u>234,040</u>
Net Change in Fund Balances	<u>(1,964,056)</u>	<u>10,586,444</u>	<u>-</u>	<u>(1,293)</u>
Fund Balances (Deficits) - Beginning of Year	<u>23,460,062</u>	<u>57,110,974</u>	<u>87,157,352</u>	<u>4,000,864</u>
Fund Balances - End of Year	<u>\$ 21,496,006</u>	<u>\$ 67,697,418</u>	<u>\$ 87,157,352</u>	<u>\$ 3,999,571</u>

				Permanent Fund	Total
				HOC	Nonmajor
Cable	Grants	Other	Total	Treasury	Governmental
TV				Bonds	Funds
\$ -	\$ -	\$ 3,241,909	\$ 164,600,838	\$ -	\$ 164,600,838
-	-	-	1,346,497	-	1,346,497
-	75,589,596	7,625	100,516,550	-	100,516,550
10,389,858	-	2,748,597	30,964,716	-	30,964,716
-	-	797,248	1,551,194	-	1,551,194
150,883	263,534	159,116	3,484,153	780,337	4,264,490
11,683	619,629	352,448	2,640,183	-	2,640,183
10,552,424	76,472,759	7,306,943	305,104,131	780,337	305,884,468
-	5,672,709	1,101,781	11,914,248	-	11,914,248
-	4,714,200	826,222	121,323,472	-	121,323,472
-	5,195,981	-	71,698,869	-	71,698,869
-	51,048,967	-	51,048,967	-	51,048,967
6,412,960	214,047	-	26,666,170	-	26,666,170
-	7,356,907	-	7,356,907	601,194	7,958,101
-	12,727	958,380	971,107	-	971,107
6,412,960	74,215,538	2,886,383	290,979,740	601,194	291,580,934
4,139,464	2,257,221	4,420,560	14,124,391	179,143	14,303,534
-	513,621	-	26,770,129	-	26,770,129
(10,043,773)	(335,842)	(1,884,768)	(36,375,045)	-	(36,375,045)
-	-	-	2,031,991	-	2,031,991
-	-	-	1,136,112	-	1,136,112
(10,043,773)	177,779	(1,884,768)	(6,436,813)	-	(6,436,813)
(5,904,309)	2,435,000	2,535,792	7,687,578	179,143	7,866,721
13,296,730	(2,435,000)	8,164,738	190,755,720	7,515,627	198,271,347
\$ 7,392,421	\$ -	\$ 10,700,530	\$ 198,443,298	\$ 7,694,770	\$ 206,138,068

MONTGOMERY COUNTY, MARYLAND  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL TAXING DISTRICTS  
JUNE 30, 2003  
**Exhibit B-3**

	Recreation	Fire Tax District	Mass Transit Facilities	Urban Districts	Noise Abatement Districts	Total
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 3,078,955	\$ 13,305,022	\$ 10,318,023	\$ 973,109	\$ 15,104	\$ 27,690,213
Cash	6,875	-	3,325	-	-	10,200
Receivables:						
Taxes	657,349	4,099,383	1,735,081	106,940	227	6,598,980
Accounts	-	3,623	239,315	54,239	-	297,177
Other	61,397	-	-	-	-	61,397
Due from other funds	-	605,463	1,009,584	-	-	1,615,047
Due from component units	-	-	-	433	-	433
Due from other governments	-	827,546	314,224	-	-	1,141,770
Prepays	25,397	262,295	48,167	-	-	335,859
Total Assets	<u>\$ 3,829,973</u>	<u>\$ 19,103,332</u>	<u>\$ 13,667,719</u>	<u>\$ 1,134,721</u>	<u>\$ 15,331</u>	<u>\$ 37,751,076</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 147,650	\$ 469,392	\$ 1,561,612	\$ 66,079	\$ -	\$ 2,244,733
Accrued liabilities	476,120	2,632,703	1,020,215	49,838	-	4,178,876
Deposits	42,508	-	-	-	-	42,508
Due to other funds	100,566	1,212,711	337,250	6,561	-	1,657,088
Due to component units	17,549	-	28,333	5,291	-	51,173
Due to other governments	67,010	-	168,053	-	-	235,063
Deferred revenue	646,051	4,909,164	2,133,756	156,431	227	7,845,629
Total Liabilities	<u>1,497,454</u>	<u>9,223,970</u>	<u>5,249,219</u>	<u>284,200</u>	<u>227</u>	<u>16,255,070</u>
Fund Balances:						
Reserved for:						
Encumbrances	173,455	777,249	9,576,507	545,036	-	11,072,247
Long-term receivables	61,397	3,623	-	-	-	65,020
Prepays	25,397	262,295	48,167	-	-	335,859
Fire-Rescue Grant	-	1,455,830	-	-	-	1,455,830
Total Reserved	<u>260,249</u>	<u>2,498,997</u>	<u>9,624,674</u>	<u>545,036</u>	<u>-</u>	<u>12,928,956</u>
Unreserved:						
Designated for subsequent years' expenditures	692,674	2,092,970	-	96,365	230	2,882,239
Designated for transfers to Capital Projects Fund	-	511,079	-	-	-	511,079
Undesignated	1,379,596	4,776,316	(1,206,174)	209,120	14,874	5,173,732
Total Unreserved	<u>2,072,270</u>	<u>7,380,365</u>	<u>(1,206,174)</u>	<u>305,485</u>	<u>15,104</u>	<u>8,567,050</u>
Total Fund Balances	<u>2,332,519</u>	<u>9,879,362</u>	<u>8,418,500</u>	<u>850,521</u>	<u>15,104</u>	<u>21,496,006</u>
Total Liabilities and Fund Balances	<u>\$ 3,829,973</u>	<u>\$ 19,103,332</u>	<u>\$ 13,667,719</u>	<u>\$ 1,134,721</u>	<u>\$ 15,331</u>	<u>\$ 37,751,076</u>

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL TAXING DISTRICTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-4**

	Recreation	Fire Tax District	Mass Transit Facilities	Urban Districts	Noise Abatement Districts	Total
<b>REVENUES</b>						
Taxes	\$ 16,175,212	\$ 108,822,026	\$ 35,460,061	\$ 855,702	\$ 45,928	\$ 161,358,929
Licenses and permits	-	1,067,663	278,834	-	-	1,346,497
Intergovernmental	-	2,342,598	22,326,731	-	-	24,669,329
Charges for services	6,877,376	24,830	10,542,011	190,191	-	17,634,408
Fines and forfeitures	5,148	210	746,088	-	-	751,446
Investment income	151,680	717,171	244,867	18,870	836	1,133,424
Miscellaneous	40,139	10,960	91,309	-	-	142,408
Total Revenues	<u>23,249,555</u>	<u>112,985,458</u>	<u>69,689,901</u>	<u>1,064,763</u>	<u>46,764</u>	<u>207,036,441</u>
<b>EXPENDITURES</b>						
General government	-	-	-	4,308,601	-	4,308,601
Public safety	-	111,134,026	-	-	-	111,134,026
Public works and transportation	-	-	66,502,888	-	-	66,502,888
Culture and recreation	<u>20,039,163</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,039,163</u>
Total Expenditures	<u>20,039,163</u>	<u>111,134,026</u>	<u>66,502,888</u>	<u>4,308,601</u>	<u>-</u>	<u>201,984,678</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>3,210,392</u>	<u>1,851,432</u>	<u>3,187,013</u>	<u>(3,243,838)</u>	<u>46,764</u>	<u>5,051,763</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	1,059,080	-	9,859,698	3,055,520	-	13,974,298
Transfers (out)	(6,881,543)	(2,493,969)	(12,511,957)	(191,680)	(47,080)	(22,126,229)
Financing under notes payable	-	1,136,112	-	-	-	1,136,112
Total Other Financing Sources (Uses)	<u>(5,822,463)</u>	<u>(1,357,857)</u>	<u>(2,652,259)</u>	<u>2,863,840</u>	<u>(47,080)</u>	<u>(7,015,819)</u>
Net Change in Fund Balances	(2,612,071)	493,575	534,754	(379,998)	(316)	(1,964,056)
Fund Balances (Deficit) - Beginning of Year, as restated	4,944,590	9,385,787	7,883,746	1,230,519	15,420	23,460,062
Fund Balances - End of Year	<u>\$ 2,332,519</u>	<u>\$ 9,879,362</u>	<u>\$ 8,418,500</u>	<u>\$ 850,521</u>	<u>\$ 15,104</u>	<u>\$ 21,496,006</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS - HOUSING ACTIVITIES  
 JUNE 30, 2003  
**Exhibit B-5**

	Housing Initiative	Rehabilitation Loan	New Home Warranty Security	Totals
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 6,616,274	\$ 1,198,680	\$ 140,096	\$ 7,955,050
Mortgages receivable	42,675,904	2,527,398	-	45,203,302
Due from component units	17,788,667	-	-	17,788,667
Total Assets	<u>\$ 67,080,845</u>	<u>\$ 3,726,078</u>	<u>\$ 140,096</u>	<u>\$ 70,947,019</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 981,635	\$ 202	\$ -	\$ 981,837
Accrued liabilities	4,596	-	-	4,596
Due to other funds	1,227	-	-	1,227
Due to component units	48,536	-	-	48,536
Deferred revenue	2,213,405	-	-	2,213,405
Total Liabilities	<u>3,249,399</u>	<u>202</u>	<u>-</u>	<u>3,249,601</u>
Fund Balances:				
Reserved for:				
Encumbrances	285,595	-	-	285,595
Long-term receivables	58,251,166	2,527,398	-	60,778,564
Total Reserved	<u>58,536,761</u>	<u>2,527,398</u>	<u>-</u>	<u>61,064,159</u>
Unreserved:				
Designated for subsequent years' expenditures	5,268,871	1,198,478	140,096	6,607,445
Designated for transfers to Capital Projects Fund	25,814	-	-	25,814
Total Unreserved	<u>5,294,685</u>	<u>1,198,478</u>	<u>140,096</u>	<u>6,633,259</u>
Total Fund Balances	<u>63,831,446</u>	<u>3,725,876</u>	<u>140,096</u>	<u>67,697,418</u>
Total Liabilities and Fund Balances	<u>\$ 67,080,845</u>	<u>\$ 3,726,078</u>	<u>\$ 140,096</u>	<u>\$ 70,947,019</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS - HOUSING ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-6**

	Housing Initiative	Rehabilitation Loan	New Home Warranty Security	Totals
<b>REVENUES</b>				
Charges for services	\$ 185,853	\$ -	\$ 6,000	\$ 191,853
Fines and forfeitures	2,500	-	-	2,500
Investment income	211,840	101,857	2,115	315,812
Miscellaneous	1,287,047	168	-	1,287,215
Total Revenues	<u>1,687,240</u>	<u>102,025</u>	<u>8,115</u>	<u>1,797,380</u>
<b>EXPENDITURES</b>				
Public safety	4,649,024	-	-	4,649,024
Total Expenditures	<u>4,649,024</u>	<u>-</u>	<u>-</u>	<u>4,649,024</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(2,961,784)</u>	<u>102,025</u>	<u>8,115</u>	<u>(2,851,644)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	11,937,810	-	-	11,937,810
Transfers (out)	(531,713)	-	-	(531,713)
Sale of property	2,031,991	-	-	2,031,991
Total Other Financing Sources (Uses)	<u>13,438,088</u>	<u>-</u>	<u>-</u>	<u>13,438,088</u>
Net Change in Fund Balances	10,476,304	102,025	8,115	10,586,444
Fund Balances - Beginning of Year	53,355,142	3,623,851	131,981	57,110,974
Fund Balances - End of Year	<u>\$ 63,831,446</u>	<u>\$ 3,725,876</u>	<u>\$ 140,096</u>	<u>\$ 67,697,418</u>

MONTGOMERY COUNTY, MARYLAND  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS - OTHER  
JUNE 30, 2003  
**Exhibit B-7**

	Agricultural Transfer Tax	Drug Enforcement Forfeitures	Water Quality Protection	Restricted Donations	Totals
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 7,305,225	\$ 1,221,731	\$ 1,224,002	\$ 987,269	\$ 10,738,227
Cash	-	25,000	-	-	25,000
Receivables:					
Accounts	-	-	24,161	-	24,161
Due from other funds	-	-	450	-	450
Prepays	-	1,210	-	-	1,210
Total Assets	<u>\$ 7,305,225</u>	<u>\$ 1,247,941</u>	<u>\$ 1,248,613</u>	<u>\$ 987,269</u>	<u>\$ 10,789,048</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ -	\$ 9,786	\$ 4,061	\$ 17,171	\$ 31,018
Accrued liabilities	-	-	13,486	-	13,486
Due to other funds	-	-	4,229	-	4,229
Due to other governments	15,624	-	-	-	15,624
Deferred revenue	-	-	24,161	-	24,161
Total Liabilities	<u>15,624</u>	<u>9,786</u>	<u>45,937</u>	<u>17,171</u>	<u>88,518</u>
Fund Balances:					
Reserved for:					
Encumbrances	-	30,593	286,694	-	317,287
Prepays	-	1,210	-	-	1,210
Donor-specified purposes	-	-	-	970,098	970,098
Total Reserved	<u>-</u>	<u>31,803</u>	<u>286,694</u>	<u>970,098</u>	<u>1,288,595</u>
Unreserved:					
Designated for subsequent years' expenditures	-	1,206,352	-	-	1,206,352
Designated for transfers to Capital Projects Fund	312,540	-	146,137	-	458,677
Undesignated	6,977,061	-	769,845	-	7,746,906
Total Unreserved	<u>7,289,601</u>	<u>1,206,352</u>	<u>915,982</u>	<u>-</u>	<u>9,411,935</u>
Total Fund Balances	<u>7,289,601</u>	<u>1,238,155</u>	<u>1,202,676</u>	<u>970,098</u>	<u>10,700,530</u>
Total Liabilities and Fund Balances	<u>\$ 7,305,225</u>	<u>\$ 1,247,941</u>	<u>\$ 1,248,613</u>	<u>\$ 987,269</u>	<u>\$ 10,789,048</u>



MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS - OTHER  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-8**

	Agricultural Transfer Tax	Drug Enforcement Forfeitures	Water Quality Protection	Restricted Donations	Totals
<b>REVENUES</b>					
Taxes	\$ 3,241,909	\$ -	\$ -	\$ -	\$ 3,241,909
Intergovernmental	-	-	-	7,625	7,625
Charges for services	-	-	2,748,597	-	2,748,597
Fines and forfeitures	-	797,248	-	-	797,248
Investment income	123,405	18,971	13,188	3,552	159,116
Miscellaneous - contributions	-	-	-	352,448	352,448
Total Revenues	<u>3,365,314</u>	<u>816,219</u>	<u>2,761,785</u>	<u>363,625</u>	<u>7,306,943</u>
<b>EXPENDITURES</b>					
General government	810,477	-	-	291,304	1,101,781
Public safety	-	750,476	-	75,746	826,222
Environment	-	-	958,380	-	958,380
Total Expenditures	<u>810,477</u>	<u>750,476</u>	<u>958,380</u>	<u>367,050</u>	<u>2,886,383</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>2,554,837</u>	<u>65,743</u>	<u>1,803,405</u>	<u>(3,425)</u>	<u>4,420,560</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	<u>(1,689,292)</u>	<u>-</u>	<u>(195,476)</u>	<u>-</u>	<u>(1,884,768)</u>
Total Other Financing Sources (Uses)	<u>(1,689,292)</u>	<u>-</u>	<u>(195,476)</u>	<u>-</u>	<u>(1,884,768)</u>
Net Change in Fund Balances	865,545	65,743	1,607,929	(3,425)	2,535,792
Fund Balances - Beginning of Year	6,424,056	1,172,412	(405,253)	973,523	8,164,738
Fund Balances - End of Year	<u>\$ 7,289,601</u>	<u>\$ 1,238,155</u>	<u>\$ 1,202,676</u>	<u>\$ 970,098</u>	<u>\$ 10,700,530</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-9**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Charges for Services - Special street assessments	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ 4,882	\$ (95,118)
Investment Income:							
Pooled investment income	-	1,400,000	1,400,000	-	1,400,000	680,701	(719,299)
Other interest income	-	703,890	703,890	-	703,890	1,185,197	481,307
Total Investment Income	-	2,103,890	2,103,890	-	2,103,890	1,865,898	(237,992)
Total Revenues	-	2,203,890	2,203,890	-	2,203,890	1,870,780	(333,110)
Expenditures:							
Principal and Interest for General Obligation Bonds:							
General county	-	20,512,250	20,512,250	(10)	20,512,240	20,310,148	202,092
Roads and storm drainage	-	46,706,430	46,706,430	-	46,706,430	46,463,300	243,130
Parks and recreation	-	5,547,730	5,547,730	-	5,547,730	5,512,159	35,571
Public schools	-	81,949,690	81,949,690	-	81,949,690	81,343,699	605,991
Community college	-	4,281,970	4,281,970	-	4,281,970	4,251,374	30,596
Public housing	-	327,860	327,860	5	327,865	327,862	3
Recreation	-	3,152,480	3,152,480	(793)	3,151,687	3,144,518	7,169
Fire and rescue	-	2,171,170	2,171,170	-	2,171,170	2,147,648	23,522
Mass transit	-	3,766,290	3,766,290	-	3,766,290	3,760,774	5,516
Bradley noise abatement district	-	36,310	36,310	5	36,315	36,313	2
Cabin John noise abatement district	-	10,770	10,770	-	10,770	10,767	3
Issuing costs	-	885,000	885,000	-	885,000	692,091	192,909
Bond anticipation note interest	-	3,600,000	3,600,000	(321,900)	3,278,100	1,829,315	1,448,785
Principal and interest on long-term equipment notes	-	-	-	55,910	55,910	55,910	-
Principal and interest on long-term note	-	110,360	110,360	-	110,360	110,360	-
Long-term leases:							
General Fund	-	13,982,570	13,982,570	(1,196,500)	12,786,070	12,578,158	207,912
Recreation	-	1,353,110	1,353,110	793	1,353,903	1,353,903	-
Mass transit	-	3,390,000	3,390,000	-	3,390,000	3,390,000	-
Total Expenditures	-	191,783,990	191,783,990	(1,462,490)	190,321,500	187,318,299	3,003,201
Excess of Revenues over (under) Expenditures	-	(189,580,100)	(189,580,100)	1,462,490	(188,117,610)	(185,447,519)	2,670,091
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	172,550,170	172,550,170	(5)	172,550,165	168,474,195	(4,075,970)
From Special Revenue Funds:							
Recreation	-	4,505,590	4,505,590	-	4,505,590	4,496,023	(9,567)
Mass Transit	-	7,156,290	7,156,290	-	7,156,290	7,140,321	(15,969)
Bradley Noise Abatement District	-	36,310	36,310	5	36,315	36,313	(2)
Cabin John Noise Abatement District	-	10,770	10,770	-	10,770	10,766	(4)
Fire Tax District	-	2,171,170	2,171,170	55,910	2,227,080	2,140,101	(86,979)
Economic Development	-	110,360	110,360	-	110,360	110,360	-
Revenue Stabilization	-	3,050,510	3,050,510	(1,708,150)	1,342,360	1,342,360	-
To Capital Projects Fund	-	(3,050,510)	(3,050,510)	1,708,150	(1,342,360)	(1,342,360)	-
Premium on general obligation bonds	-	3,039,440	3,039,440	-	3,039,440	3,039,440	-
Total Other Financing Sources (Uses)	-	189,580,100	189,580,100	55,910	189,636,010	185,447,519	(4,188,491)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	-	-	1,518,400	1,518,400	-	(1,518,400)
Fund Balance - Beginning of Year	-	-	-	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ 1,518,400	\$ 1,518,400	\$ -	\$ (1,518,400)

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Effect on Fund Balance
As reported - budgetary basis	\$ 1,870,780	\$ 187,318,299	\$ 185,447,519	\$ -
Reconciling items:				
Bond anticipation note activity	-	155,000,000	155,000,000	-
Lease revenue bond activity not required to be budgeted	1,593,232	1,682,005	88,773	-
Issuing costs for:				
General obligation bonds	-	1,039,663	-	(1,039,663)
General obligation refunding bonds	-	281,531	-	(281,531)
Proceeds of:				
General obligation bonds	-	-	1,039,663	1,039,663
General obligation refunding bonds	(2,957)	-	284,488	281,531
As reported - GAAP basis	\$ 3,461,055	\$ 345,321,498	\$ 341,860,443	\$ -

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-10**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Taxes - impact	\$ -	\$ 15,670,237	\$ 15,670,237	\$ 304,000	\$ 15,974,237	\$ 1,788,564	\$ (14,185,673)
Intergovernmental	624,729	173,999,092	174,623,821	9,118,954	183,742,775	31,029,637	(152,713,138)
Charges for services	-	9,479,724	9,479,724	-	9,479,724	2,207,618	(7,272,106)
Investment Income:							
Pooled investment income	-	-	-	-	-	16,797	16,797
Other investment income	-	-	-	-	-	292,907	292,907
Miscellaneous - contributions	-	6,057,259	6,057,259	200,000	6,257,259	1,546,089	(4,711,170)
Total Revenues	624,729	205,206,312	205,831,041	9,622,954	215,453,995	36,881,612	(178,572,383)
Expenditures - Capital projects	169,117,411	410,025,781	579,143,192	(3,237,476)	575,905,716	337,669,014	238,236,702
Excess of Revenues over (under) Expenditures	(168,492,682)	(204,819,469)	(373,312,151)	12,860,430	(360,451,721)	(300,787,402)	59,664,319
Other Financing Sources (Uses):							
Transfers in	-	61,062,509	61,062,509	1,575,227	62,637,736	25,818,277	(36,819,459)
Transfers (out)	-	-	-	-	-	(88,772)	(88,772)
Transfers (out) - component units	-	-	-	-	-	1,934,821	1,934,821
Sale of land	-	10,418,834	10,418,834	2,100,000	12,518,834	4,782,081	(7,736,753)
Proceeds of bond anticipation notes	-	-	-	-	-	70,000,000	70,000,000
Proceeds of general obligation bonds	-	286,116,647	286,116,647	(16,535,657)	269,580,990	-	(269,580,990)
Total Other Financing Sources (Uses)	-	357,597,990	357,597,990	(12,860,430)	344,737,560	102,446,407	(242,291,153)
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(168,492,682)	152,778,521	(15,714,161)	-	(15,714,161)	(198,340,995)	(182,626,834)
Fund Balance (Deficit) - Beginning of Year	168,492,682	(28,076,310)	140,416,372	-	140,416,372	140,416,372	-
Fund Balance (Deficit) - End of Year	\$ -	\$ 124,702,211	\$ 124,702,211	\$ -	\$ 124,702,211	\$ (57,924,623)	\$ (182,626,834)

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Effect on Fund Balance
As reported - budgetary basis	\$ 36,881,612	\$ 337,669,014	\$ 102,446,407	\$ (198,340,995)
Reconciling items:				
Elimination of encumbrances outstanding	-	(129,472,224)	-	129,472,224
Reclassification of loans	-	-	(1,934,821)	(1,934,821)
Non appropriated costs for bus acquisition	-	604,590	-	(604,590)
Bond proceeds for projects budgeted by others	-	-	85,000,000	85,000,000
Expenditure of bond proceeds for component units	-	67,136,424	-	(67,136,424)
Grants	(376,010)	(376,010)	-	-
As reported - GAAP basis	\$ 36,505,602	\$ 275,561,794	\$ 185,511,586	\$ (53,544,606)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
RECREATION SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-11**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Taxes - property	\$ -	\$ 15,956,810	\$ 15,956,810	\$ -	\$ 15,956,810	\$ 16,175,212	\$ 218,402
Charges for services - activity fees	-	7,037,750	7,037,750	-	7,037,750	6,877,376	(160,374)
Fines and forfeitures	-	-	-	-	-	5,148	5,148
Investment income	-	290,000	290,000	-	290,000	151,680	(138,320)
Miscellaneous	-	12,000	12,000	1,000	13,000	63,820	50,820
Total Revenues	-	23,296,560	23,296,560	1,000	23,297,560	23,273,236	(24,324)
Expenditures:							
Personnel costs	-	14,599,390	14,599,390	(624,478)	13,974,912	13,974,907	5
Operating	284,076	5,813,270	6,097,346	(570,133)	5,527,213	5,318,671	208,542
Total Expenditures	284,076	20,412,660	20,696,736	(1,194,611)	19,502,125	19,293,578	208,547
Excess of Revenues over (under) Expenditures	(284,076)	2,883,900	2,599,824	1,195,611	3,795,435	3,979,658	184,223
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	1,059,080	1,059,080	-	1,059,080	1,059,080	-
To General Fund	-	(3,304,560)	(3,304,560)	-	(3,304,560)	(3,304,560)	-
To Debt Service Fund	-	(4,505,590)	(4,505,590)	-	(4,505,590)	(4,496,023)	9,567
Total Other Financing Sources (Uses)	-	(6,751,070)	(6,751,070)	-	(6,751,070)	(6,741,503)	9,567
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(284,076)	(3,867,170)	(4,151,246)	1,195,611	(2,955,635)	(2,761,845)	193,790
Fund Balance - Beginning of Year	284,076	4,955,048	5,239,124	(23,681)	5,215,443	5,215,443	-
Fund Balance - End of Year	\$ -	\$ 1,087,878	\$ 1,087,878	\$ 1,171,930	\$ 2,259,808	\$ 2,453,598	\$ 193,790

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (2,761,845)
Reconciling items:	
Cancellation of prior year encumbrances	(23,681)
Elimination of encumbrances outstanding	173,455
GAAP - Net Change in Fund Balance	<u>\$ (2,612,071)</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FIRE TAX DISTRICT SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
Exhibit B-12

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Taxes - property	\$ -	\$ 106,347,060	\$ 106,347,060	\$ -	\$ 106,347,060	\$ 108,822,026	\$ 2,474,966
Licenses and permits	-	700,000	700,000	-	700,000	1,067,663	367,663
Intergovernmental	-	1,033,340	1,033,340	1,501,703	2,535,043	2,342,598	(192,445)
Charges for services	-	13,770	13,770	-	13,770	24,830	11,060
Fines and forfeitures	-	200	200	-	200	210	10
Investment income	-	970,000	970,000	-	970,000	717,171	(252,829)
Miscellaneous	-	-	-	-	-	78,640	78,640
Total Revenues	-	109,064,370	109,064,370	1,501,703	110,566,073	113,053,138	2,487,065
Expenditures:							
Personnel costs	-	92,158,820	92,158,820	(799,402)	91,359,418	91,359,409	9
Operating	756,718	15,962,940	16,719,658	505,083	17,224,741	17,224,735	6
Capital outlay	1,374,192	536,100	1,910,292	573,750	2,484,042	2,191,019	293,023
Total Expenditures	2,130,910	108,657,860	110,788,770	279,431	111,068,201	110,775,163	293,038
Excess of Revenues over (under) Expenditures	(2,130,910)	406,510	(1,724,400)	1,222,272	(502,128)	2,277,975	2,780,103
Other Financing Sources (Uses):							
Transfers In (Out):							
To General Fund	-	(120,750)	(120,750)	-	(120,750)	(120,750)	-
To Special Revenue Funds	-	(3,669)	(3,669)	(30,770)	(34,439)	(32,191)	2,248
To Debt Service Fund	-	(2,171,170)	(2,171,170)	(55,910)	(2,227,080)	(2,140,101)	86,979
To Capital Projects Fund	-	(523,041)	(523,041)	-	(523,041)	(11,335)	511,706
To Internal Service Fund	-	-	-	(189,592)	(189,592)	(189,592)	-
Total Other Financing Sources (Uses)	-	(2,818,630)	(2,818,630)	(276,272)	(3,094,902)	(2,493,969)	600,933
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(2,130,910)	(2,412,120)	(4,543,030)	946,000	(3,597,030)	(215,994)	3,381,036
Fund Balance - Beginning of Year	2,130,910	7,254,878	9,385,788	(67,680)	9,318,108	9,318,108	-
Fund Balance - End of Year	\$ -	\$ 4,842,758	\$ 4,842,758	\$ 878,320	\$ 5,721,078	\$ 9,102,114	\$ 3,381,036

Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (215,994)
Reconciling items:	
Cancellation of prior year encumbrances	(67,680)
Elimination of encumbrances outstanding	777,249
Financing under notes payable	1,136,112
Procurement of assets under notes payable	(1,136,112)
GAAP - Net Change in Fund Balance	\$ 493,575

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MASS TRANSIT FACILITIES SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-13**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Taxes:							
Property	\$ -	\$ 34,533,820	\$ 34,533,820	\$ -	\$ 34,533,820	\$ 35,460,061	\$ 926,241
Licenses and permits	-	288,800	288,800	-	288,800	278,834	(9,966)
Intergovernmental - State aid	-	22,068,640	22,068,640	-	22,068,640	22,326,731	258,091
Charges for Services:							
Fare receipts	-	9,747,980	9,747,980	-	9,747,980	9,505,781	(242,199)
Parking fees	-	2,203,550	2,203,550	-	2,203,550	1,036,230	(1,167,320)
Total Charges for Services	-	11,951,530	11,951,530	-	11,951,530	10,542,011	(1,409,519)
Fines and forfeitures	-	-	-	-	-	746,088	746,088
Investment Income:							
Pooled	-	190,000	190,000	-	190,000	244,499	54,499
Nonpooled	-	-	-	-	-	368	368
Total Investment Income	-	190,000	190,000	-	190,000	244,867	54,867
Miscellaneous	-	100,000	100,000	-	100,000	171,531	71,531
Total Revenues	-	69,132,790	69,132,790	-	69,132,790	69,770,123	637,333
Expenditures:							
Division of Transit Services:							
Personnel costs	-	31,333,620	31,333,620	662,400	31,996,020	31,996,018	2
Operating	480,997	36,162,200	36,643,197	(463,892)	36,179,305	36,179,296	9
Capital outlay	2,641,149	22,030	2,663,179	5,390,000	8,053,179	7,836,248	216,931
Total Division of Transit Services	3,122,146	67,517,850	70,639,996	5,588,508	76,228,504	76,011,562	216,942
Washington Suburban Transit Commission:							
Operating contribution	-	67,840	67,840	-	67,840	67,832	8
Total Expenditures	3,122,146	67,585,690	70,707,836	5,588,508	76,296,344	76,079,394	216,950
Excess of Revenues over (under) Expenditures	(3,122,146)	1,547,100	(1,575,046)	(5,588,508)	(7,163,554)	(6,309,271)	854,283
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	993,100	993,100	6,216,000	7,209,100	7,209,100	-
From Enterprise Funds	-	2,777,360	2,777,360	-	2,777,360	2,650,598	(126,762)
To General Fund	-	(4,931,910)	(4,931,910)	-	(4,931,910)	(4,931,910)	-
To Special Revenue Funds	-	-	-	(41,150)	(41,150)	(41,150)	-
To Debt Service Fund	-	(7,156,290)	(7,156,290)	-	(7,156,290)	(7,140,321)	15,969
To Capital Projects Fund	-	(897,681)	(897,681)	-	(897,681)	(378,634)	519,047
To Internal Service Fund	-	-	-	(19,950)	(19,950)	(19,942)	8
Total Other Financing Sources (Uses)	-	(9,215,421)	(9,215,421)	6,154,900	(3,060,521)	(2,652,259)	408,262
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(3,122,146)	(7,668,321)	(10,790,467)	566,392	(10,224,075)	(8,961,530)	1,262,545
Fund Balance - Beginning of Year	3,122,146	4,761,600	7,883,746	(80,222)	7,803,524	7,803,524	-
Fund Balance (Deficit) - End of Year	\$ -	\$ (2,906,721)	\$ (2,906,721)	\$ 486,170	\$ (2,420,551)	\$ (1,158,006)	\$ 1,262,545

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (8,961,530)
Reconciling items:	
Cancellation of prior year encumbrances	(80,222)
Elimination of encumbrances outstanding	9,576,506
GAAP - Net Change in Fund Balance	<u>\$ 534,754</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
URBAN DISTRICT SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-14**

	Budget						Variance
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final	Actual	Positive (Negative)
BETHESDA URBAN DISTRICT							
Revenues:							
Taxes - property	\$ -	\$ 369,350	\$ 369,350	\$ -	\$ 369,350	\$ 376,705	\$ 7,355
Charges for services - maintenance fees	-	100,000	100,000	-	100,000	124,749	24,749
Investment income	-	-	-	-	-	2,711	2,711
Miscellaneous	-	-	-	-	-	128	128
Total Revenues	-	469,350	469,350	-	469,350	504,293	34,943
Expenditures - operating							
Excess of Revenues over (under) Expenditures	3,331	1,649,080	1,652,411	(128)	1,652,283	1,652,246	37
	(3,331)	(1,179,730)	(1,183,061)	128	(1,182,933)	(1,147,953)	34,980
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	230,420	230,420	-	230,420	230,420	-
From Enterprise Funds	-	843,000	843,000	-	843,000	843,000	-
Total Other Financing Sources (Uses)	-	1,073,420	1,073,420	-	1,073,420	1,073,420	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(3,331)	(106,310)	(109,641)	128	(109,513)	(74,533)	34,980
Fund Balance - Beginning of Year	3,331	159,530	162,861	(128)	162,733	162,733	-
Fund Balance - End of Year	\$ -	\$ 53,220	\$ 53,220	\$ -	\$ 53,220	\$ 88,200	\$ 34,980
SILVER SPRING URBAN DISTRICT							
Revenues:							
Taxes - property	\$ -	\$ 459,260	\$ 459,260	\$ -	\$ 459,260	\$ 415,010	\$ (44,250)
Charges for services - maintenance fees	-	68,500	68,500	-	68,500	65,442	(3,058)
Investment income	-	40,000	40,000	-	40,000	11,556	(28,444)
Miscellaneous	-	-	-	-	-	11,052	11,052
Total Revenues	-	567,760	567,760	-	567,760	503,060	(64,700)
Expenditures:							
Personnel costs	-	741,970	741,970	70,330	812,300	728,141	84,159
Operating	450,306	1,032,750	1,483,056	50,028	1,533,084	1,531,048	2,036
Total Expenditures	450,306	1,774,720	2,225,026	120,358	2,345,384	2,259,189	86,195
Excess of Revenues over (under) Expenditures	(450,306)	(1,206,960)	(1,657,266)	(120,358)	(1,777,624)	(1,756,129)	21,495
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	837,630	837,630	230,710	1,068,340	1,068,340	-
From Enterprise Funds	-	350,000	350,000	-	350,000	350,000	-
To General Fund	-	(112,040)	(112,040)	-	(112,040)	(112,040)	-
To Special Revenue Funds	-	-	-	(35,005)	(35,005)	-	35,005
Total Other Financing Sources (Uses)	-	1,075,590	1,075,590	195,705	1,271,295	1,306,300	35,005
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(450,306)	(131,370)	(581,676)	75,347	(506,329)	(449,829)	56,500
Fund Balance - Beginning of Year	450,306	172,427	622,733	(11,052)	611,681	611,681	-
Fund Balance - End of Year	\$ -	\$ 41,057	\$ 41,057	\$ 64,295	\$ 105,352	\$ 161,852	\$ 56,500

(Continued)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL, CONCLUDED  
URBAN DISTRICT SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-14**

	Budget						Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final	Actual	
WHEATON URBAN DISTRICT							
Revenues:							
Taxes - property	\$ -	\$ 71,140	\$ 71,140	\$ -	\$ 71,140	\$ 63,987	\$ (7,153)
Investment income	-	10,000	10,000	-	10,000	4,603	(5,397)
Miscellaneous	-	-	-	-	-	7,506	7,506
Total Revenues	-	81,140	81,140	-	81,140	76,096	(5,044)
Expenditures:							
Personnel costs	-	505,950	505,950	50	506,000	505,989	11
Operating	61,586	411,230	472,816	(7,556)	465,260	436,213	29,047
Total Expenditures	61,586	917,180	978,766	(7,506)	971,260	942,202	29,058
Excess of Revenues over (under) Expenditures	(61,586)	(836,040)	(897,626)	7,506	(890,120)	(866,106)	24,014
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	92,090	92,090	-	92,090	92,090	-
From Enterprise Funds	-	471,670	471,670	-	471,670	471,670	-
To General Fund	-	(79,640)	(79,640)	-	(79,640)	(79,640)	-
Total Other Financing Sources (Uses)	-	484,120	484,120	-	484,120	484,120	-
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(61,586)	(351,920)	(413,506)	7,506	(406,000)	(381,986)	24,014
Fund Balance - Beginning of Year	61,586	383,339	444,925	(7,506)	437,419	437,419	-
Fund Balance - End of Year	\$ -	\$ 31,419	\$ 31,419	\$ -	\$ 31,419	\$ 55,433	\$ 24,014

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Bethesda	Silver Spring	Wheaton	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under)				
Expenditures and Other Financing Uses	\$ (74,533)	\$ (449,829)	\$ (381,986)	\$ (906,348)
Reconciling items:				
Cancellation of prior year encumbrances	(128)	(11,052)	(7,506)	(18,686)
Elimination of encumbrances outstanding	44	499,417	45,575	545,036
Total	\$ (74,617)	\$ 38,536	\$ (343,917)	\$ (379,998)
GAAP - Net Change in Fund Balances				\$ (379,998)



MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
NOISE ABATEMENT DISTRICT SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-15**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
BRADLEY NOISE ABATEMENT DISTRICT							
Revenues:							
Taxes - property	\$ -	\$ 35,020	\$ 35,020	\$ -	\$ 35,020	\$ 35,939	\$ 919
Investment income	-	390	390	-	390	649	259
Total Revenues	-	35,410	35,410	-	35,410	36,588	1,178
Expenditures	-	-	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	35,410	35,410	-	35,410	36,588	1,178
Other Financing Sources (Uses):							
Transfers to Debt Service Fund	-	(36,310)	(36,310)	(5)	(36,315)	(36,313)	2
Excess of Revenues and Other Financing Sources over (under)							
Expenditures and Other Financing Uses	-	(900)	(900)	(5)	(905)	275	1,180
Fund Balance - Beginning of Year	-	11,841	11,841	-	11,841	11,841	-
Fund Balance - End of Year	\$ -	\$ 10,941	\$ 10,941	\$ (5)	\$ 10,936	\$ 12,116	\$ 1,180

**CABIN JOHN NOISE ABATEMENT DISTRICT**

Revenues:							
Taxes - property	\$ -	\$ 9,310	\$ 9,310	\$ -	\$ 9,310	\$ 9,989	\$ 679
Investment income	-	120	120	-	120	187	67
Total Revenues	-	9,430	9,430	-	9,430	10,176	746
Expenditures	-	-	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	9,430	9,430	-	9,430	10,176	746
Other Financing Sources (Uses):							
Transfers to Debt Service Fund	-	(10,770)	(10,770)	-	(10,770)	(10,767)	3
Excess of Revenues and Other Financing Sources over (under)							
Expenditures and Other Financing Uses	-	(1,340)	(1,340)	-	(1,340)	(591)	749
Fund Balance - Beginning of Year	-	3,579	3,579	-	3,579	3,579	-
Fund Balance - End of Year	\$ -	\$ 2,239	\$ 2,239	\$ -	\$ 2,239	\$ 2,988	\$ 749

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	<u>Bradley</u>	<u>Cabin John</u>	<u>Total</u>
Budgetary - Excess of Revenues and Other Financing Sources over (under)			
Expenditures and Other Financing Uses	\$ 275	\$ (591)	\$ (316)
GAAP - Net Change in Fund Balances			\$ (316)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
HOUSING INITIATIVE SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-16**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 185,853	\$ 185,853
Fines and forfeitures	-	-	-	-	-	2,500	2,500
Investment Income:							
Pooled investment income	-	-	-	-	-	150,087	150,087
Other interest income	-	152,390	152,390	-	152,390	61,753	(90,637)
Total Investment Income	-	152,390	152,390	-	152,390	211,840	59,450
Miscellaneous:							
Property rentals, MPDU and other contributions	-	50,000	50,000	-	50,000	1,283,347	1,233,347
Total Miscellaneous	-	50,000	50,000	-	50,000	1,283,347	1,233,347
Total Revenues	-	202,390	202,390	-	202,390	1,683,540	1,481,150
Expenditures:							
Personnel Costs	-	86,990	86,990	47,610	134,600	134,598	2
Operating	296,631	19,945,006	20,241,637	(1,994,500)	18,247,137	16,060,060	2,187,077
Total Expenditures	296,631	20,031,996	20,328,627	(1,946,890)	18,381,737	16,194,658	2,187,079
Excess of Revenues over (under) Expenditures	(296,631)	(19,829,606)	(20,126,237)	1,946,890	(18,179,347)	(14,511,118)	3,668,229
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	11,937,810	11,937,810	-	11,937,810	11,937,810	-
To General Fund	-	(13,430)	(13,430)	-	(13,430)	(13,430)	-
To Capital Projects Fund	-	(544,097)	(544,097)	-	(544,097)	(518,283)	25,814
Mortgage repayment	-	398,720	398,720	-	398,720	380,312	(18,408)
Sale of property	-	2,000,000	2,000,000	-	2,000,000	2,031,991	31,991
Total Other Financing Sources (Uses)	-	13,779,003	13,779,003	-	13,779,003	13,818,400	39,397
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(296,631)	(6,050,603)	(6,347,234)	1,946,890	(4,400,344)	(692,718)	3,707,626
Fund Balance - Beginning of Year	296,631	5,679,526	5,976,157	-	5,976,157	5,976,157	-
Fund Balance - End of Year	\$ -	\$ (371,077)	\$ (371,077)	\$ 1,946,890	\$ 1,575,813	\$ 5,283,439	\$ 3,707,626

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (692,718)
Reconciling items:	
Elimination of encumbrances outstanding	285,595
Change in mortgages and notes receivable	10,883,427
GAAP - Net Change in Fund Balance	<u>\$ 10,476,304</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
REHABILITATION LOAN SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-17**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Pooled investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,555	\$ 14,555
Other interest income	-	-	-	-	-	87,302	87,302
Total Investment Income	-	-	-	-	-	101,857	101,857
Miscellaneous income	-	-	-	-	-	168	168
Total Revenues	-	-	-	-	-	102,025	102,025
Expenditures	-	-	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	-	-	-	-	102,025	102,025
Other Financing Sources (Uses):							
Loan repayments	-	-	-	-	-	301,305	301,305
Mortgage loans	-	(921,509)	(921,509)	-	(921,509)	(126,361)	795,148
Total Other Financing Sources (Uses)	-	(921,509)	(921,509)	-	(921,509)	174,944	1,096,453
Excess of Revenues and Other Financing Sources over (under)							
Expenditures and Other Financing Uses	-	(921,509)	(921,509)	-	(921,509)	276,969	1,198,478
Fund Balance - Beginning of Year, as restated	-	921,509	921,509	-	921,509	921,509	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,198,478	\$ 1,198,478

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 276,969
Reconciling item - Change in mortgages and notes receivable	(174,944)
GAAP - Net Change in Fund Balance	<u>\$ 102,025</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
NEW HOME WARRANTY SECURITY SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-18**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000	\$ 6,000
Investment income	-	-	-	-	-	2,115	2,115
Total Revenues	-	-	-	-	-	8,115	8,115
Expenditures - Operating	-	131,981	131,981	-	131,981	-	131,981
Excess of Revenues over (under) Expenditures	-	(131,981)	(131,981)	-	(131,981)	8,115	140,096
Fund Balance - Beginning of Year	-	131,981	131,981	-	131,981	131,981	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,096	\$ 140,096

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 8,115
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	\$ 8,115

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
REVENUE STABILIZATION SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-19**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues - Investment income	\$ -	\$ 3,050,510	\$ 3,050,510	\$ (1,708,150)	\$ 1,342,360	\$ 1,342,360	\$ -
Expenditures	-	-	-	-	-	-	-
Excess of Revenues over (under) Expenditures	-	3,050,510	3,050,510	(1,708,150)	1,342,360	1,342,360	-
Other Financing Sources (Uses):							
Transfers to Debt Service Fund	-	(3,050,510)	(3,050,510)	1,708,150	(1,342,360)	(1,342,360)	-
Excess of Revenues and Other Financing Sources over (under)	-	-	-	-	-	-	-
Expenditures and Other Financing Uses	-	-	-	-	-	-	-
Fund Balance - Beginning of Year, as restated	-	87,157,352	87,157,352	-	87,157,352	87,157,352	-
Fund Balance - End of Year	\$ -	\$ 87,157,352	\$ 87,157,352	\$ -	\$ 87,157,352	\$ 87,157,352	\$ -

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	\$ -

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-20**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
Pooled investment income	-	100,000	100,000	-	100,000	23,102	(76,898)
Other interest income	-	110,270	110,270	-	110,270	95,922	(14,348)
Miscellaneous	-	-	-	-	-	226,800	226,800
Total Revenues	-	210,270	210,270	-	210,270	595,824	385,554
Expenditures:							
Personnel costs	-	77,010	77,010	270	77,280	77,271	9
Operating	-	1,967,269	1,967,269	249,730	2,216,999	753,886	1,463,113
Total Expenditures	-	2,044,279	2,044,279	250,000	2,294,279	831,157	1,463,122
Excess of Revenues over (under) Expenditures	-	(1,834,009)	(1,834,009)	(250,000)	(2,084,009)	(235,333)	1,848,676
Other Financing Sources (Uses):							
Transfers In (Out):							
From General Fund	-	94,400	94,400	250,000	344,400	344,400	-
To Debt Service Fund	-	(110,360)	(110,360)	-	(110,360)	(110,360)	-
Loan repayments	-	300,690	300,690	-	300,690	336,775	36,085
Loan disbursements	-	(335,000)	(335,000)	-	(335,000)	(335,000)	-
Total Other Financing Sources (Uses)	-	(50,270)	(50,270)	250,000	199,730	235,815	36,085
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	(1,884,279)	(1,884,279)	-	(1,884,279)	482	1,884,761
Fund Balance - Beginning of Year	-	1,884,279	1,884,279	-	1,884,279	1,884,279	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,884,761	\$ 1,884,761

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 482
Reconciling item - Change in notes receivable	(1,775)
GAAP - Net Change in Fund Balance	\$ (1,293)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CABLE TV SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-21**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Charges for services	\$ -	\$ 10,539,000	\$ 10,539,000	\$ -	\$ 10,539,000	\$ 10,389,858	\$ (149,142)
Investment income	-	570,000	570,000	-	570,000	150,883	(419,117)
Miscellaneous	-	-	-	-	-	196,294	196,294
Total Revenues	-	11,109,000	11,109,000	-	11,109,000	10,737,035	(371,965)
Expenditures:							
Personnel costs	-	701,280	701,280	56,930	758,210	758,177	33
Operating	489,634	6,692,800	7,182,434	(211,011)	6,971,423	6,967,542	3,881
Capital outlay	-	-	-	-	-	-	-
Total Expenditures	489,634	7,394,080	7,883,714	(154,081)	7,729,633	7,725,719	3,914
Excess of Revenues over (under) Expenditures	(489,634)	3,714,920	3,225,286	154,081	3,379,367	3,011,316	(368,051)
Other Financing Sources (Uses):							
Transfers In (Out):							
To General Fund	-	(3,452,380)	(3,452,380)	-	(3,452,380)	(3,452,380)	-
To Capital Projects Fund	-	(8,975,817)	(8,975,817)	-	(8,975,817)	(6,591,393)	2,384,424
Total Other Financing Sources (Uses)	-	(12,428,197)	(12,428,197)	-	(12,428,197)	(10,043,773)	2,384,424
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	(489,634)	(8,713,277)	(9,202,911)	154,081	(9,048,830)	(7,032,457)	2,016,373
Fund Balance - Beginning of Year	489,634	12,807,095	13,296,729	(184,611)	13,112,118	13,112,118	-
Fund Balance - End of Year	\$ -	\$ 4,093,818	\$ 4,093,818	\$ (30,530)	\$ 4,063,288	\$ 6,079,661	\$ 2,016,373

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ (7,032,457)
Reconciling items:	
Cancellation of prior year encumbrances	(184,611)
Elimination of encumbrances outstanding	1,312,759
GAAP - Net Change in Fund Balance	<u>\$ (5,904,309)</u>

MONTGOMERY COUNTY, MARYLAND  
GRANTS SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
Exhibit B-22

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover (1)	Current Year	Total Original	Revisions	Final		
Revenues:							
Intergovernmental:							
Federal grants	\$ 15,168,249	\$ 26,650,510	\$ 41,818,759	\$ 19,666,856	\$ 61,485,615	\$ 41,132,045	\$ (20,353,570)
State grants	5,152,022	58,250,280	63,402,302	(5,443,051)	57,959,251	44,092,370	(13,866,881)
Other Non-State and Non-Federal Reimbursements	3,724	122,540	126,264	(51,130)	75,134	35,275	(39,859)
Total Intergovernmental	20,323,995	85,023,330	105,347,325	14,172,675	119,520,000	85,259,690	(34,260,310)
Investment income:							
Pooled investment income	-	-	-	328,893	328,893	72,107	(256,786)
Other interest income	571,979	200,000	771,979	-	771,979	191,427	(580,552)
Total Investment Income	571,979	200,000	771,979	328,893	1,100,872	263,534	(837,338)
Miscellaneous	3,115,956	-	3,115,956	(2,595,460)	520,496	619,629	99,133
Total Revenues	24,011,930	85,223,330	109,235,260	11,906,108	121,141,368	86,142,853	(34,998,515)
Expenditures:							
General Government:							
Circuit Court:							
Personnel costs	169,176	1,202,980	1,372,156	111,711	1,483,867	1,314,691	169,176
Operating	308,440	388,980	697,420	161,750	859,170	275,107	584,063
Totals	477,616	1,591,960	2,069,576	273,461	2,343,037	1,589,798	753,239
Office of State's Attorney:							
Personnel costs	295,181	129,900	425,081	26,235	451,316	178,196	273,120
Operating	53,936	-	53,936	24,111	78,047	50,640	27,407
Totals	349,117	129,900	479,017	50,346	529,363	228,836	300,527
Office of the County Executive:							
Personnel costs	37,597	62,280	99,877	49,073	148,950	111,302	37,648
Operating	4,270	6,610	10,880	11,709	22,589	12,406	10,183
Totals	41,867	68,890	110,757	60,782	171,539	123,708	47,831
Commission for Women:							
Personnel costs	-	129,220	129,220	8,060	137,280	137,277	3
Operating	-	8,060	8,060	(8,060)	-	-	-
Totals	-	137,280	137,280	-	137,280	137,277	3
Regional Services Center:							
Operating	102,010	-	102,010	-	102,010	13,000	89,010
Totals	102,010	-	102,010	-	102,010	13,000	89,010
Department of Economic Development:							
Operating	21,413	3,702,360	3,723,773	782,858	4,506,631	4,262,693	243,938
Totals	21,413	3,702,360	3,723,773	782,858	4,506,631	4,262,693	243,938
Total General Government	992,023	5,630,390	6,622,413	1,167,447	7,789,860	6,355,312	1,434,548
Public Safety:							
Department of Corrections and Rehabilitation:							
Personnel costs	-	36,960	36,960	(6,960)	30,000	30,000	-
Operating	94,750	-	94,750	90,448	185,198	112,269	72,929
Totals	94,750	36,960	131,710	83,488	215,198	142,269	72,929
Department of Fire and Rescue Services:							
Personnel costs	281,727	-	281,727	684,608	966,335	191,203	775,132
Operating	379,773	-	379,773	1,218,840	1,598,613	821,536	777,077
Capital outlay	11,871	-	11,871	1,067,040	1,078,911	512,022	566,889
Totals	673,371	-	673,371	2,970,488	3,643,859	1,524,761	2,119,098
Department of Police:							
Personnel costs	191,545	463,000	654,545	5,559,616	6,214,161	1,966,880	4,247,281
Operating	554,571	39,000	593,571	860,742	1,454,313	852,922	601,391
Capital outlay	-	-	-	7,510	7,510	-	7,510
Totals	746,116	502,000	1,248,116	6,427,868	7,675,984	2,819,802	4,856,182
Office of the County Sheriff:							
Personnel costs	56,489	359,600	416,089	285,581	701,670	639,188	62,482
Operating	24,747	105,090	129,837	183,824	313,661	235,647	78,014
Totals	81,236	464,690	545,926	469,405	1,015,331	874,835	140,496
Total Public Safety	1,595,473	1,003,650	2,599,123	9,951,249	12,550,372	5,361,667	7,188,705
Transportation:							
Department of Public Works and Transportation:							
Personnel costs	-	1,304,920	1,304,920	25,457	1,330,377	1,322,195	8,182
Operating	185,314	2,335,530	2,520,844	138,340	2,659,184	2,538,797	120,387
Capital outlay	1,880,000	5,669,810	7,549,810	1,204,610	8,754,420	6,906,429	1,847,991
Totals	2,065,314	9,310,260	11,375,574	1,368,407	12,743,981	10,767,421	1,976,560
Total Transportation	2,065,314	9,310,260	11,375,574	1,368,407	12,743,981	10,767,421	1,976,560

(Continued)

MONTGOMERY COUNTY, MARYLAND  
GRANTS SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL, CONCLUDED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-22**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover (1)	Current Year	Total Original	Revisions	Final		
Health and Human Services:							
Department of Health and Human Services:							
Personnel costs	\$ 2,256,088	\$ 14,401,890	\$ 16,657,978	\$ 1,477,250	\$ 18,135,228	\$ 15,510,360	\$ 2,624,868
Operating	6,481,195	30,716,410	37,197,605	4,601,053	41,798,658	33,508,461	8,290,197
Capital outlay	-	-	-	191,155	191,155	166,517	24,638
Totals	8,737,283	45,118,300	53,855,583	6,269,458	60,125,041	49,185,338	10,939,703
Total Health and Human Services	8,737,283	45,118,300	53,855,583	6,269,458	60,125,041	49,185,338	10,939,703
Culture and Recreation:							
Department of Libraries:							
Personnel costs	9,674	30,000	39,674	131,666	171,340	47,314	124,026
Operating	34,187	5,000	39,187	112,083	151,270	12,097	139,173
Totals	43,861	35,000	78,861	243,749	322,610	59,411	263,199
Department of Recreation:							
Personnel costs	7,456	95,460	102,916	9,114	112,030	62,649	49,381
Operating	5,237	114,400	119,637	(76,317)	43,320	32,420	10,900
Totals	12,693	209,860	222,553	(67,203)	155,350	95,069	60,281
Total Culture and Recreation	56,554	244,860	301,414	176,546	477,960	154,480	323,480
Housing:							
Department of Housing and Community Affairs:							
Personnel costs	627,369	1,657,430	2,284,799	(51,403)	2,233,396	1,578,186	655,210
Operating	9,960,812	7,179,250	17,140,062	(1,061,534)	16,078,528	8,581,388	7,497,140
Capital outlay	5,815	-	5,815	1,737,248	1,743,063	1,737,246	5,817
Totals	10,593,996	8,836,680	19,430,676	624,311	20,054,987	11,896,820	8,158,167
Total Housing	10,593,996	8,836,680	19,430,676	624,311	20,054,987	11,896,820	8,158,167
Environment:							
Department of Environmental Protection:							
Personnel costs	-	27,190	27,190	(18,065)	9,125	9,125	-
Operating	-	2,000	2,000	28,574	30,574	3,602	26,972
Totals	-	29,190	29,190	10,509	39,699	12,727	26,972
Total Environment	-	29,190	29,190	10,509	39,699	12,727	26,972
Nondepartmental:							
NDA Historical Activities - Operating	-	50,000	50,000	-	50,000	-	50,000
NDA Misc Community Grants - Operating	250,000	-	250,000	100,000	350,000	159,252	190,748
Future Grants - Operating	-	15,000,000	15,000,000	(8,062,316)	6,937,684	-	6,937,684
MLS Distribution - Personnel	-	215,280	215,280	(215,280)	-	-	-
Total Nondepartmental	250,000	15,265,280	15,515,280	(8,177,596)	7,337,684	159,252	7,178,432
Total Expenditures	24,290,643	85,438,610	109,729,253	11,390,331	121,119,584	83,893,017	37,226,567
Excess of Revenues over (under)							
Expenditures	(278,713)	(215,280)	(493,993)	515,777	21,784	2,249,836	2,228,052
Other Financing Sources (Uses):							
Transfers In:							
General Fund	239,427	-	239,427	465,071	704,498	447,665	(256,833)
Mass Transit Special Revenue Fund	-	-	-	41,150	41,150	41,150	-
Silver Spring Urban District Special Revenue Fund	35,005	-	35,005	-	35,005	-	(35,005)
Fire Tax District Special Revenue Fund	4,281	-	4,281	30,770	35,051	32,191	(2,860)
Total Transfers In	278,713	-	278,713	536,991	815,704	521,006	(294,698)
Transfers Out - Motor Pool	-	-	-	(837,488)	(837,488)	(335,842)	501,646
Total Transfers Out	-	-	-	(837,488)	(837,488)	(335,842)	501,646
Total Other Financing Sources (Uses)	278,713	-	278,713	(300,497)	(21,784)	185,164	206,948
Excess of Revenues and Other Financing							
Sources over (under) Expenditures	-	(215,280)	(215,280)	215,280	-	2,435,000	2,435,000
Fund Balance (Deficit) - Beginning of Year	-	(2,435,000)	(2,435,000)	-	(2,435,000)	(2,435,000)	-
Fund Balance (Deficit) - End of Year	\$ -	\$ (2,650,280)	\$ (2,650,280)	\$ 215,280	\$ (2,435,000)	\$ -	\$ 2,435,000

(1) Grants Fund prior year carryover includes: a) reappropriation of encumbered appropriations, and b) revenues under grants that require more than one fiscal year to complete the grant program.

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Revenues	Expenditures and Encumbrances	Other Financing Sources (Uses)	Effect on Fund Balance
As reported - budgetary basis	\$ 86,142,853	\$ 83,893,017	\$ 185,164	\$ 2,435,000
Reconciling items:				
Elimination of encumbrances outstanding	(10,261,110)	(10,268,495)	(7,385)	-
Loan expenditures	(2,450,014)	(2,450,014)	-	-
Indirect costs	(905,707)	(905,707)	-	-
Pass-through expenditures	3,946,737	3,946,737	-	-
As reported - GAAP basis	\$ 76,472,759	\$ 74,215,538	\$ 177,779	\$ 2,435,000



MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DRUG ENFORCEMENT FORFEITURES SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-23**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 797,248	\$ 797,248
Investment income	-	-	-	-	-	18,971	18,971
Miscellaneous	-	-	-	-	-	2,471	2,471
Total Revenues	-	-	-	-	-	818,690	818,690
Expenditures:							
Operating	15,071	1,007,341	1,022,412	(2,471)	1,019,941	674,890	345,051
Capital outlay	-	150,000	150,000	-	150,000	106,179	43,821
Total Expenditures	15,071	1,157,341	1,172,412	(2,471)	1,169,941	781,069	388,872
Excess of Revenues over (under) Expenditures	(15,071)	(1,157,341)	(1,172,412)	2,471	(1,169,941)	37,621	1,207,562
Fund Balance - Beginning of Year	15,071	1,157,341	1,172,412	(2,471)	1,169,941	1,169,941	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,207,562	\$ 1,207,562

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 37,621
Reconciling items:	
Cancellation of prior year encumbrances	(2,471)
Elimination of encumbrances outstanding	30,593
GAAP - Net Change in Fund Balance	\$ 65,743

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
WATER QUALITY PROTECTION SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-24**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Charges for services	\$ -	\$ 2,691,820	\$ 2,691,820	\$ -	\$ 2,691,820	\$ 2,748,597	\$ 56,777
Investment income	-	-	-	-	-	13,188	13,188
Miscellaneous	-	1,550	1,550	-	1,550	-	(1,550)
Total Revenues	-	2,693,370	2,693,370	-	2,693,370	2,761,785	68,415
Expenditures:							
Personnel	-	519,990	519,990	-	519,990	344,542	175,448
Operating	-	950,170	950,170	-	950,170	900,532	49,638
Capital outlay	-	41,130	41,130	(21,763)	19,367	-	19,367
Total Expenditures	-	1,511,290	1,511,290	(21,763)	1,489,527	1,245,074	244,453
Excess of Revenues over (under) Expenditures	-	1,182,080	1,182,080	21,763	1,203,843	1,516,711	312,868
Other Financing Sources (Uses):							
Transfers In (Out):							
To General Fund	-	(540,560)	(540,560)	-	(540,560)	(540,560)	-
To Capital Projects	-	(238,000)	(238,000)	-	(238,000)	(91,863)	146,137
To Motor Pool	-	-	-	(21,763)	(21,763)	(21,763)	-
Total Other Financing Sources (Uses)	-	(778,560)	(778,560)	(21,763)	(800,323)	(654,186)	146,137
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	-	403,520	403,520	-	403,520	862,525	459,005
Fund Balance - Beginning of Year	-	53,007	53,007	-	53,007	53,007	-
Fund Balance - End of Year	\$ -	\$ 456,527	\$ 456,527	\$ -	\$ 456,527	\$ 915,532	\$ 459,005

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 862,525
Reconciling items:	
Reclassification of transfer to repayment of a loan	458,710
Elimination of encumbrances outstanding	286,694
GAAP - Net Change in Fund Balance	\$ 1,607,929

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
RESTRICTED DONATIONS SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit B-25**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
Revenues:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,625	\$ 7,625
Investment income	-	-	-	-	-	3,552	3,552
Miscellaneous - contributions	-	-	-	-	-	352,448	352,448
Total Revenues	-	-	-	-	-	363,625	363,625
Expenditures - Operating	-	973,523	973,523	-	973,523	367,050	606,473
Excess of Revenues over (under) Expenditures	-	(973,523)	(973,523)	-	(973,523)	(3,425)	970,098
Fund Balance - Beginning of Year	-	973,523	973,523	-	973,523	973,523	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 970,098	\$ 970,098

**Reconciliation of budgetary schedule to GAAP basis Combining Statement of Revenues, Expenditures, and Changes in Fund Balances:**

	Total
Budgetary - Excess of Revenues over (under) Expenditures	\$ (3,425)
Reconciling item - N/A	-
GAAP - Net Change in Fund Balance	\$ (3,425)

## **NONMAJOR ENTERPRISE FUNDS**

Enterprise funds are used to account for operations where:

- The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity;
- Laws or regulations require that the activity's costs of providing services, including capital costs, be recovered with fees and charges, rather than with taxes or similar revenues; or
- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

**PERMITTING SERVICES** - Accounts for most of the fiscal activity of permitting programs within the County, such as building permits, construction code enforcement, flood plain management, land use compliance, plan review, sediment control, stormwater management, well and septic regulatory services, fire code review, and public access construction.

**COMMUNITY USE OF PUBLIC FACILITIES** - Accounts for the fiscal activity related to renting public facilities to community organizations.

## **MAJOR ENTERPRISE FUNDS**

This section also includes budget-to-actual schedules for the following major enterprise funds:

**LIQUOR CONTROL**  
**SOLID WASTE DISPOSAL AND COLLECTION**  
**PARKING LOT DISTRICTS**

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF NET ASSETS  
 NONMAJOR ENTERPRISE FUNDS  
 JUNE 30, 2003  
**Exhibit C-1**

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
<b>ASSETS</b>			
Current Assets:			
Equity in pooled cash and investments	\$ 8,756,657	\$ 2,521,589	\$ 11,278,246
Cash	-	50	50
Prepays	-	1,402	1,402
Total Current Assets	<u>8,756,657</u>	<u>2,523,041</u>	<u>11,279,698</u>
Noncurrent Assets:			
Capital Assets:			
Furniture, fixtures, equipment, and machinery	3,821,094	374,107	4,195,201
Less: Accumulated depreciation	<u>3,419,917</u>	<u>326,069</u>	<u>3,745,986</u>
Total Capital Assets (net of accumulated depreciation)	<u>401,177</u>	<u>48,038</u>	<u>449,215</u>
Total Assets	<u>9,157,834</u>	<u>2,571,079</u>	<u>11,728,913</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	50,798	52,543	103,341
Accrued liabilities	7,602,251	158,074	7,760,325
Due to other funds	168,324	16,950	185,274
Due to component units	-	630,106	630,106
Due to other governments	-	9,869	9,869
Deferred revenue	<u>77,914</u>	<u>597,464</u>	<u>675,378</u>
Total Current Liabilities	<u>7,899,287</u>	<u>1,465,006</u>	<u>9,364,293</u>
Noncurrent Liabilities:			
Compensated absences	<u>308,376</u>	<u>35,202</u>	<u>343,578</u>
Total Noncurrent Liabilities	<u>308,376</u>	<u>35,202</u>	<u>343,578</u>
Total Liabilities	<u>8,207,663</u>	<u>1,500,208</u>	<u>9,707,871</u>
<b>NET ASSETS</b>			
Invested in capital, net of related debt	401,177	48,038	449,215
Unrestricted	<u>548,994</u>	<u>1,022,833</u>	<u>1,571,827</u>
Total Net Assets	<u>\$ 950,171</u>	<u>\$ 1,070,871</u>	<u>\$ 2,021,042</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit C-2**

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,678,654	\$ 4,902,773	\$ 6,581,427
Licenses and permits	18,174,345	-	18,174,345
Fines and penalties	101,425	-	101,425
Total Operating Revenues	<u>19,954,424</u>	<u>4,902,773</u>	<u>24,857,197</u>
<b>OPERATING EXPENSES</b>			
Personnel costs	14,510,362	1,545,739	16,056,101
Insurance	8,070	-	8,070
Supplies and materials	111,202	243,151	354,353
Contractual services	168,976	3,404,680	3,573,656
Communications	256,021	62,229	318,250
Transportation	389,642	1,406	391,048
Public utility services	-	435,930	435,930
Rentals	1,027,290	172,294	1,199,584
Maintenance	805,589	3,515	809,104
Depreciation	462,715	56,783	519,498
Other	79,429	1,606	81,035
Total Operating Expenses	<u>17,819,296</u>	<u>5,927,333</u>	<u>23,746,629</u>
Operating Income (Loss)	<u>2,135,128</u>	<u>(1,024,560)</u>	<u>1,110,568</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Intergovernmental	-	51,154	51,154
Investment income	170,710	41,306	212,016
Total Nonoperating Revenues (Expenses)	<u>170,710</u>	<u>92,460</u>	<u>263,170</u>
Nonoperating Income (Loss)	<u>2,305,838</u>	<u>(932,100)</u>	<u>1,373,738</u>
Special Item - Depreciation adjustment	338,285	19,646	357,931
Income (Loss) Before Transfers	<u>2,644,123</u>	<u>(912,454)</u>	<u>1,731,669</u>
Transfers Out	<u>(8,575,490)</u>	<u>(269,520)</u>	<u>(8,845,010)</u>
Change in Net Assets	<u>(5,931,367)</u>	<u>(1,181,974)</u>	<u>(7,113,341)</u>
Total Net Assets - Beginning of Year	<u>6,881,538</u>	<u>2,252,845</u>	<u>9,134,383</u>
Total Net Assets - End of Year	<u>\$ 950,171</u>	<u>\$ 1,070,871</u>	<u>\$ 2,021,042</u>

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit C-3**

	Permitting Services	Community Use of Public Facilities	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 18,997,518	\$ 4,902,773	\$ 23,900,291
Payments to suppliers	(2,832,672)	(3,979,620)	(6,812,292)
Payments to employees	(14,404,588)	(1,525,651)	(15,930,239)
Internal activity - payments from other funds	1,034,820	-	1,034,820
Other receipts (payments)	399,116	-	399,116
Net Cash Provided (Used) by Operating Activities	<u>3,194,194</u>	<u>(602,498)</u>	<u>2,591,696</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Operating subsidies and transfers to other funds	(8,575,490)	(269,520)	(8,845,010)
Intergovernmental revenue	-	51,154	51,154
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(8,575,490)</u>	<u>(218,366)</u>	<u>(8,793,856)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	<u>(102,403)</u>	-	<u>(102,403)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(102,403)</u>	-	<u>(102,403)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income from pooled investments	170,710	41,306	212,016
Net Cash Provide (Used) by Investing Activities	<u>170,710</u>	<u>41,306</u>	<u>212,016</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(5,312,989)	(779,558)	(6,092,547)
Balances - Beginning of Year	14,069,646	3,301,197	17,370,843
Balances - End of Year	<u>\$ 8,756,657</u>	<u>\$ 2,521,639</u>	<u>\$ 11,278,296</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>			
Operating income (loss)	\$ 2,135,128	\$ (1,024,560)	\$ 1,110,568
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	462,715	56,783	519,498
Changes in assets and liabilities:			
Accounts payable and other liabilities	91,461	318,850	410,311
Accrued expenses	504,890	46,429	551,319
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,194,194</u>	<u>\$ (602,498)</u>	<u>\$ 2,591,696</u>
<b>Noncash investing, capital and financing activities:</b>			
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
Exhibit C-4

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
LIQUOR							
Personnel costs	\$ -	\$ 14,970,790	\$ 14,970,790	\$ 227,700	\$ 15,198,490	\$ 15,198,483	\$ 7
Other operating	48,130	8,278,830	8,326,960	(245,997)	8,080,963	7,748,705	332,258
Capital outlay	158,294	919,110	1,077,404	(4,376)	1,073,028	469,793	603,235
Total	<u>\$ 206,424</u>	<u>\$ 24,168,730</u>	<u>\$ 24,375,154</u>	<u>\$ (22,673)</u>	<u>\$ 24,352,481</u>	23,416,981	<u>\$ 935,500</u>
Reconciliation to GAAP expenses:							
Additions:							
Depreciation and amortization						719,893	
Cost of goods sold						112,091,755	
Deductions:							
Capital outlay expenditures						(469,793)	
Encumbrances outstanding at year-end						<u>(35,730)</u>	
GAAP Expenses						<u>\$ 135,723,106</u>	
PERMITTING SERVICES							
Personnel costs	\$ -	\$ 14,712,430	\$ 14,712,430	\$ (202,060)	\$ 14,510,370	\$ 14,510,362	\$ 8
Other operating	86,703	3,544,810	3,631,513	(279,037)	3,352,476	2,889,005	463,471
Total	<u>\$ 86,703</u>	<u>\$ 18,257,240</u>	<u>\$ 18,343,943</u>	<u>\$ (481,097)</u>	<u>\$ 17,862,846</u>	17,399,367	<u>\$ 463,479</u>
Reconciliation to GAAP expenses:							
Addition - Depreciation and amortization						124,430	
Deduction - Encumbrances outstanding at year-end						<u>(42,786)</u>	
GAAP Expenses						<u>\$ 17,481,011</u>	
COMMUNITY USE OF PUBLIC FACILITIES							
Personnel costs	\$ -	\$ 1,605,090	\$ 1,605,090	\$ (52,328)	\$ 1,552,762	\$ 1,545,739	\$ 7,023
Other operating	11,160	4,352,910	4,364,070	51,958	4,416,028	4,325,969	90,059
Total	<u>\$ 11,160</u>	<u>\$ 5,958,000</u>	<u>\$ 5,969,160</u>	<u>\$ (370)</u>	<u>\$ 5,968,790</u>	5,871,708	<u>\$ 97,082</u>
Reconciliation to GAAP expenses:							
Addition - Depreciation and amortization						37,137	
Deduction - Encumbrances outstanding at year-end						<u>(1,158)</u>	
GAAP Expenses						<u>\$ 5,907,687</u>	

(Continued)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONTINUED  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit C-4**

	Budget						Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final	Actual	
<b>SOLID WASTE DISPOSAL</b>							
Personnel costs	\$ -	\$ 7,622,050	\$ 7,622,050	\$ 540,720	\$ 8,162,770	\$ 8,137,610	\$ 25,160
Other operating	2,737,039	79,211,970	81,949,009	(3,374,829)	78,574,180	78,574,174	6
Capital outlay	2,463,814	930,480	3,394,294	36,455	3,430,749	3,414,457	16,292
Total	<u>\$ 5,200,853</u>	<u>\$ 87,764,500</u>	<u>\$ 92,965,353</u>	<u>\$ (2,797,654)</u>	<u>\$ 90,167,699</u>	90,126,241	<u>\$ 41,458</u>
Reconciliation to GAAP expenses:							
Additions:							
Depreciation and amortization						2,848,062	
Other operating costs from the Capital Budget						243,148	
Interest expense						2,120,598	
Accrued landfill closing cost						298,000	
Deductions:							
Capital outlay expenditures						(2,972,727)	
Encumbrances outstanding at year-end						(3,066,526)	
Bond principal reduction						(2,409,851)	
Cash interest payments						(1,086,790)	
Adjustment of landfill closure costs						(1,123,688)	
GAAP Expenses						<u>\$ 84,976,467</u>	
<b>SOLID WASTE COLLECTION</b>							
Personnel costs	\$ -	\$ 880,270	\$ 880,270	\$ 1,240	\$ 881,510	\$ 804,170	\$ 77,340
Other operating	1,240	4,688,970	4,690,210	-	4,690,210	4,613,192	77,018
Total	<u>\$ 1,240</u>	<u>\$ 5,569,240</u>	<u>\$ 5,570,480</u>	<u>\$ 1,240</u>	<u>\$ 5,571,720</u>	5,417,362	<u>\$ 154,358</u>
Reconciliation to GAAP expenses:							
Additions - Depreciation and amortization							
						3,963	
Deductions - Encumbrances outstanding at year-end							
						(55,066)	
GAAP Expenses						<u>\$ 5,366,259</u>	
<b>Reconciliation of GAAP expenses to Statement of Revenues, Expenses, and Changes in Fund Net Assets:</b>							
GAAP Expenses:							
Solid Waste Disposal						\$ 84,976,467	
Solid Waste Collection						5,366,259	
Total Solid Waste Disposal and Collection Activities						<u>\$ 90,342,726</u>	*

(Continued)



MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONTINUED  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit C-4**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
SILVER SPRING PARKING							
Personnel costs	\$ -	\$ 1,508,130	\$ 1,508,130	\$ (45,670)	\$ 1,462,460	\$ 1,435,473	\$ 26,987
Other operating	63,444	7,175,920	7,239,364	63,412	7,302,776	7,020,724	282,052
Capital outlay	-	200,000	200,000	-	200,000	195,000	5,000
Total	\$ 63,444	\$ 8,884,050	\$ 8,947,494	\$ 17,742	\$ 8,965,236	8,651,197	\$ 314,039

Reconciliation to GAAP expenses:

Additions:

Depreciation and amortization	2,144,510
Interest expense	523,250
Other operating costs from the Capital Budget	278,481
Loss on disposal of capital asset	3,938,026

Deductions:

Capital outlay	(182,338)
Refunding revenue bond principal reduction	(1,950,000)
Encumbrances outstanding at year-end	(282,889)
Bond principal reduction	(100,000)
Cash interest payments	(491,128)

GAAP Expenses \$ 12,529,109

**BETHESDA PARKING**

Personnel costs	\$ -	\$ 1,523,050	\$ 1,523,050	\$ (248,360)	\$ 1,274,690	\$ 1,075,745	\$ 198,945
Other operating	204,191	8,968,400	9,172,591	(151,321)	9,021,270	8,778,328	242,942
Capital outlay	-	-	-	42,970	42,970	42,964	6
Total	<u>\$ 204,191</u>	<u>\$ 10,491,450</u>	<u>\$ 10,695,641</u>	<u>\$ (356,711)</u>	<u>\$ 10,338,930</u>	9,897,037	<u>\$ 441,893</u>

Reconciliation to GAAP expenses:

Additions:

Depreciation and amortization	3,093,682
Interest expense	1,738,881
Other operating costs from the Capital Budget	440,087

Deductions:

Capital outlay expenditures	(42,964)
Refunding revenue bond principal reduction	(3,135,000)
Encumbrances outstanding at year-end	(315,659)
Bond principal reduction	(250,000)
Cash interest payments	(1,664,381)

GAAP Expenses \$ 9,761,683

**WHEATON PARKING**

Personnel costs	\$ -	\$ 253,900	\$ 253,900	\$ (7,920)	\$ 245,980	\$ 213,737	\$ 32,243
Other operating	15,934	788,130	804,064	(29,194)	774,870	762,978	11,892
Total	<u>\$ 15,934</u>	<u>\$ 1,042,030</u>	<u>\$ 1,057,964</u>	<u>\$ (37,114)</u>	<u>\$ 1,020,850</u>	976,715	<u>\$ 44,135</u>

Reconciliation to GAAP expenses:

Additions:

Depreciation and amortization	311,028
Other operating costs from the Capital Budget	2,665
Deduction - Encumbrances outstanding at year-end	(124,353)

GAAP Expenses \$ 1,166,055

(Continued)

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL, CONCLUDED  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit C-4**

	Budget					Actual	Variance Positive (Negative)
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final		
MONTGOMERY HILLS PARKING							
Personnel costs	\$ -	\$ 26,350	\$ 26,350	\$ 8,260	\$ 34,610	\$ 34,606	\$ 4
Other operating	16,813	48,030	64,843	9,467	74,310	74,305	5
Capital outlay	-	-	-	-	-	-	-
Total	<u>\$ 16,813</u>	<u>\$ 74,380</u>	<u>\$ 91,193</u>	<u>\$ 17,727</u>	<u>\$ 108,920</u>	108,911	<u>\$ 9</u>

Reconciliation to GAAP expenses:

Deduction - Encumbrances outstanding at year-end

GAAP Expenses

(8,610)  
\$ 100,301

**Reconciliation of GAAP expenses to Statement of Revenues, Expenses, and Changes in Fund Net Assets:**

GAAP Expenses:

Silver Spring Parking

\$ 12,529,109

Bethesda Parking

9,761,683

Wheaton Parking

1,166,055

Montgomery Hills Parking

100,301

Total Parking Lot Districts

\$ 23,557,148 \*

\* Includes operating and nonoperating expenses

## **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis.

**MOTOR POOL** - Accounts for the fiscal activity related to the automotive and other motorized equipment needs of the using departments of the County.

**LIABILITY AND PROPERTY COVERAGE SELF-INSURANCE** - Accounts for the fiscal activity related to liability, property, workers' compensation, and unemployment insurance needs of the participating governmental agencies.

**EMPLOYEE HEALTH BENEFITS SELF-INSURANCE** - Accounts for the fiscal activity related to health, life, vision, dental, and long-term disability insurance needs of the participating governmental agencies.

**CENTRAL DUPLICATING** - Accounts for the fiscal activity related to printing and postage services provided to the using agencies.

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2003  
**Exhibit D-1**

	<b>Motor Pool</b>	<b>Liability and Property Coverage Self Insurance</b>	<b>Employee Health Benefits Self Insurance</b>	<b>Central Duplicating</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>					
Current Assets:					
Equity in pooled cash and investments	\$ 7,983,152	\$ 47,737,873	\$ 13,011,661	\$ 354,745	\$ 69,087,431
Cash	300	-	-	-	300
Accounts receivable	31,468	31,469	58,061	-	120,998
Notes receivable	61,984	-	-	-	61,984
Due from other funds	-	-	2,989,772	-	2,989,772
Due from component units	48,597	-	699,763	2,938	751,298
Due from other governments	14,948	187,086	21,769	1,810	225,613
Inventory of supplies	1,725,187	-	-	-	1,725,187
Prepays	343,977	213,528	-	107,904	665,409
Total Current Assets	<u>10,209,613</u>	<u>48,169,956</u>	<u>16,781,026</u>	<u>467,397</u>	<u>75,627,992</u>
Noncurrent Assets:					
Capital Assets:					
Land, improved and unimproved	22,506	-	-	-	22,506
Improvements other than buildings	268,565	-	-	-	268,565
Buildings	315,732	-	-	-	315,732
Furniture, fixtures, equipment, and machinery	2,551,912	109,365	-	1,251,471	3,912,748
Automobiles and trucks	58,754,633	-	-	-	58,754,633
Subtotal	61,913,348	109,365	-	1,251,471	63,274,184
Less: Accumulated depreciation	39,152,773	95,642	-	721,029	39,969,444
Total Capital Assets (net of accumulated depreciation)	<u>22,760,575</u>	<u>13,723</u>	<u>-</u>	<u>530,442</u>	<u>23,304,740</u>
Total Assets	<u>32,970,188</u>	<u>48,183,679</u>	<u>16,781,026</u>	<u>997,839</u>	<u>98,932,732</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	1,390,026	432,501	806,563	70,734	2,699,824
Claims payable	-	57,736,000	8,828,246	-	66,564,246
Accrued liabilities	945,910	224,024	1,395,080	140,871	2,705,885
Due to other funds	108,644	18,590	-	12,751	139,985
Due to component units	-	-	-	47,908	47,908
Due to other governments	10,304	-	-	-	10,304
Deferred revenue	-	-	71,844	-	71,844
Total Current Liabilities	<u>2,454,884</u>	<u>58,411,115</u>	<u>11,101,733</u>	<u>272,264</u>	<u>72,239,996</u>
Noncurrent Liabilities:					
Compensated absences	207,126	46,047	2,172	30,096	285,441
Total Noncurrent Liabilities	<u>207,126</u>	<u>46,047</u>	<u>2,172</u>	<u>30,096</u>	<u>285,441</u>
Total Liabilities	<u>2,662,010</u>	<u>58,457,162</u>	<u>11,103,905</u>	<u>302,360</u>	<u>72,525,437</u>
<b>NET ASSETS</b>					
Invested in capital, net of related debt	22,760,575	13,723	-	530,442	23,304,740
Unrestricted (deficit)	7,547,603	(10,287,206)	5,677,121	165,037	3,102,555
Total Net Assets (Deficit)	<u>\$ 30,308,178</u>	<u>\$ (10,273,483)</u>	<u>\$ 5,677,121</u>	<u>\$ 695,479</u>	<u>\$ 26,407,295</u>

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit D-2**

	Motor Pool	Liability and Property Coverage Self Insurance	Employee Health Benefits Self Insurance	Central Duplicating	Total Internal Service Funds
<b>OPERATING REVENUES</b>					
Charges for services	\$ 33,857,830	\$ 26,297,173	\$ 88,463,403	\$ 3,755,334	\$152,373,740
Claim recoveries	66,701	1,068,736	-	-	1,135,437
Total Operating Revenues	<u>33,924,531</u>	<u>27,365,909</u>	<u>88,463,403</u>	<u>3,755,334</u>	<u>153,509,177</u>
<b>OPERATING EXPENSES</b>					
Personnel costs	10,138,308	2,464,187	591,735	1,550,486	14,744,716
Postage	-	396	50,591	1,551,877	1,602,864
Self-insurance incurred and estimated claims	-	26,533,359	54,155,444	-	80,688,803
Insurance	314,760	1,979,588	30,518,982	-	32,813,330
Supplies and materials	11,361,630	4,635	39,742	458,444	11,864,451
Contractual services	126,129	3,570,718	5,511,827	19,218	9,227,892
Communications	95,140	10,547	35,274	11,229	152,190
Transportation	65,687	13,900	40	27,824	107,451
Public utility service	490,907	-	-	-	490,907
Rentals	10,203	1,771	-	344,189	356,163
Maintenance	7,091,077	4,384	6	93,651	7,189,118
Depreciation	4,915,674	17,439	-	192,895	5,126,008
Other	92,675	418,627	276	803	512,381
Total Operating Expenses	<u>34,702,190</u>	<u>35,019,551</u>	<u>90,903,917</u>	<u>4,250,616</u>	<u>164,876,274</u>
Operating Income (Loss)	<u>(777,659)</u>	<u>(7,653,642)</u>	<u>(2,440,514)</u>	<u>(495,282)</u>	<u>(11,367,097)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Gain (loss) on disposal of capital assets	277,825	-	-	-	277,825
Investment income	148,749	907,687	139,730	4,681	1,200,847
Other revenue	-	-	34,971	-	34,971
Total Nonoperating Revenues (Expenses)	<u>426,574</u>	<u>907,687</u>	<u>174,701</u>	<u>4,681</u>	<u>1,513,643</u>
Income (Loss) before Transfers	<u>(351,085)</u>	<u>(6,745,955)</u>	<u>(2,265,813)</u>	<u>(490,601)</u>	<u>(9,853,454)</u>
Special Item:					
Depreciation adjustment	956,978	-	-	-	956,978
Total Special Item	<u>956,978</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>956,978</u>
Income (Loss) before Transfers	<u>605,893</u>	<u>(6,745,955)</u>	<u>(2,265,813)</u>	<u>(490,601)</u>	<u>(8,896,476)</u>
Transfers In (Out):					
Transfers in	646,873	-	-	-	646,873
Total Transfers In (Out)	<u>646,873</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>646,873</u>
Change in Net Assets	1,252,766	(6,745,955)	(2,265,813)	(490,601)	(8,249,603)
Total Net Assets (Deficit) - Beginning of Year	<u>29,055,412</u>	<u>(3,527,528)</u>	<u>7,942,934</u>	<u>1,186,080</u>	<u>34,656,898</u>
Total Net Assets (Deficit) - End of Year	<u>\$ 30,308,178</u>	<u>\$ (10,273,483)</u>	<u>\$ 5,677,121</u>	<u>\$ 695,479</u>	<u>\$ 26,407,295</u>

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit D-3**

	<b>Motor Pool</b>	<b>Liability and Property Coverage Self Insurance</b>	<b>Employee Health Benefits Self Insurance</b>	<b>Central Duplicating</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 33,982,726	\$ 27,170,434	\$ 87,745,843	\$ 3,755,000	\$ 152,654,003
Payments to suppliers	(20,994,826)	(7,208,617)	(37,074,793)	(2,395,629)	(67,673,865)
Payments to employees	(9,998,713)	(2,414,134)	(595,455)	(1,543,318)	(14,551,620)
Claims paid	-	(18,401,574)	(53,867,152)	-	(72,268,726)
Net Cash Provided (Used) by Operating Activities	<u>2,989,187</u>	<u>(853,891)</u>	<u>(3,791,557)</u>	<u>(183,947)</u>	<u>(1,840,208)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Proceeds from sale of capital assets	335,085	-	-	-	335,085
Purchases of capital assets	(4,684,746)	(7,393)	-	(41,101)	(4,733,240)
Repayment of notes receivable	21,666	-	-	-	21,666
Internal activity - payments from other funds	646,873	-	-	-	646,873
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,681,122)</u>	<u>(7,393)</u>	<u>-</u>	<u>(41,101)</u>	<u>(3,729,616)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment income from pooled investments	148,749	904,197	139,730	4,681	1,197,357
Investment income from nonpooled investments	-	3,490	-	-	3,490
Net Cash Provide (Used) by Investing Activities	<u>148,749</u>	<u>907,687</u>	<u>139,730</u>	<u>4,681</u>	<u>1,200,847</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(543,186)	46,403	(3,651,827)	(220,367)	(4,368,977)
Balances - Beginning of Year	8,526,638	47,691,470	16,663,488	575,112	73,456,708
Balances - End of Year	<u>\$ 7,983,452</u>	<u>\$ 47,737,873</u>	<u>\$ 13,011,661</u>	<u>\$ 354,745</u>	<u>\$ 69,087,731</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ (777,659)	\$ (7,653,642)	\$ (2,440,514)	\$ (495,282)	\$ (11,367,097)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	4,915,674	17,439	-	192,895	5,126,008
Other revenue	-	-	34,971	-	34,971
Changes in assets and liabilities:					
Receivables, net	249,296	(195,475)	(717,560)	(334)	(664,073)
Inventories, prepaids and other assets	(448,266)	(85,414)	-	92,144	(441,536)
Accounts and other payables	(1,051,553)	7,018,677	(826,427)	19,462	5,160,159
Accrued liabilities	101,695	44,524	157,973	7,168	311,360
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,989,187</u>	<u>\$ (853,891)</u>	<u>\$ (3,791,557)</u>	<u>\$ (183,947)</u>	<u>\$ (1,840,208)</u>
<b>Noncash investing, capital and financing activities:</b>					
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MONTGOMERY COUNTY, MARYLAND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit D-4**

	Budget						Variance
	Prior Year Carryover Encumbrances	Current Year	Total Original	Revisions	Final	Actual	Positive (Negative)
LIABILITY AND PROPERTY COVERAGE SELF-INSURANCE							
Personnel costs	\$ -	\$ 2,386,210	\$ 2,386,210	\$ 77,980	\$ 2,464,190	\$ 2,464,187	\$ 3
Other operating	<u>313,179</u>	<u>24,248,370</u>	<u>24,561,549</u>	<u>7,672,282</u>	<u>32,233,831</u>	<u>32,233,829</u>	<u>2</u>
Total	<u>\$ 313,179</u>	<u>\$ 26,634,580</u>	<u>\$ 26,947,759</u>	<u>\$ 7,750,262</u>	<u>\$ 34,698,021</u>	34,698,016	<u>\$ 5</u>
Reconciliation to GAAP expenses:							
Additions:							
Depreciation						17,439	
Portion of actuarial adjustment not required to be budgeted						420,785	
Deductions - Encumbrances outstanding at year-end						<u>(116,689)</u>	
GAAP Expenses						<u>\$ 35,019,551</u>	
EMPLOYEE HEALTH BENEFITS SELF-INSURANCE							
Personnel costs	\$ -	\$ 605,570	\$ 605,570	\$ 7,830	\$ 613,400	\$ 591,735	\$ 21,665
Other operating	<u>128,724</u>	<u>81,754,430</u>	<u>81,883,154</u>	<u>8,560,700</u>	<u>90,443,854</u>	<u>90,443,845</u>	<u>9</u>
Total	<u>\$ 128,724</u>	<u>\$ 82,360,000</u>	<u>\$ 82,488,724</u>	<u>\$ 8,568,530</u>	<u>\$ 91,057,254</u>	91,035,580	<u>\$ 21,674</u>
Reconciliation to GAAP expenses:							
Deductions - Encumbrances outstanding at year-end						<u>(131,663)</u>	
GAAP Expenses						<u>\$ 90,903,917</u>	*

\* Includes operating and nonoperating expenses

## **FIDUCIARY FUNDS**

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

**PENSION AND OTHER EMPLOYEE BENEFIT TRUSTS** – Account for the accumulation of resources for, and payment of, retirement annuities and/or other benefits and administrative costs.

Employees' Retirement System  
Employees' Retirement Savings Plan  
Deferred Compensation Plan

**PRIVATE PURPOSE TRUSTS** - Account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Private Contributions	Tricentennial
Court Appointed Guardians	Strathmore Hall

**AGENCY** - Account for resources held by the County in a purely custodial capacity.

Property Tax  
Recreation Activities  
Miscellaneous



MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS  
JUNE 30, 2003  
**Exhibit E-1**

	Employees' Retirement System	Employees' Retirement Savings Plan	Deferred Compensation Plan	Total
<b>ASSETS</b>				
Current Assets:				
Equity in pooled cash and investments	\$ 552,566	\$ 1,839,932	\$ -	\$ 2,392,498
Investments	1,958,706,443	37,876,561	198,702,884	2,195,285,888
Receivables:				
Accounts	4,610	2,338	-	6,948
Other	-	108,324	-	108,324
Due from other funds	2,940,970	408,977	887,738	4,237,685
Due from component units	49,794	36,185	-	85,979
Due from other governments	16,623	3,054	-	19,677
Prepays	705	-	-	705
Total Current Assets	<u>1,962,271,711</u>	<u>40,275,371</u>	<u>199,590,622</u>	<u>2,202,137,704</u>
Noncurrent Assets:				
Capital Assets:				
Furniture, fixtures, equipment, and machinery	111,375	-	-	111,375
Less: Accumulated depreciation	<u>111,375</u>	<u>-</u>	<u>-</u>	<u>111,375</u>
Total Capital Assets (net of accumulated depreciation)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>1,962,271,711</u>	<u>40,275,371</u>	<u>199,590,622</u>	<u>2,202,137,704</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	235,329,169	56,846	-	235,386,015
Accrued liabilities	188,795	3,212	-	192,007
Due to other funds	1,504	594	-	2,098
Deferred revenue	<u>159,404</u>	<u>-</u>	<u>-</u>	<u>159,404</u>
Total Current Liabilities	<u>235,678,872</u>	<u>60,652</u>	<u>-</u>	<u>235,739,524</u>
Noncurrent Liabilities:				
Compensated absences	<u>49,560</u>	<u>-</u>	<u>-</u>	<u>49,560</u>
Total Liabilities	<u>235,728,432</u>	<u>60,652</u>	<u>-</u>	<u>235,789,084</u>
<b>NET ASSETS</b>				
Held in trust for pension benefits, external investment pool participants, and other purposes	<u>\$ 1,726,543,279</u>	<u>\$ 40,214,719</u>	<u>\$ 199,590,622</u>	<u>\$ 1,966,348,620</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS  
 JUNE 30, 2003  
**Exhibit E-2**

	Employees' Retirement System	Employees' Retirement Savings Plan	Deferred Compensation Plan	Total
<b>ADDITIONS</b>				
Contributions:				
Employers	\$ 55,205,855	\$ 6,798,553	\$ -	\$ 62,004,408
Members	14,769,579	3,750,518	21,062,049	39,582,146
Share purchases	-	-	-	-
Total Contributions	<u>69,975,434</u>	<u>10,549,071</u>	<u>21,062,049</u>	<u>101,586,554</u>
Investment income	89,939,057	1,819,663	4,659,572	96,418,292
Less: investment expenses	<u>7,764,561</u>	<u>32,206</u>	<u>-</u>	<u>7,796,767</u>
Net Investment Income	<u>82,174,496</u>	<u>1,787,457</u>	<u>4,659,572</u>	<u>88,621,525</u>
Other income - forfeitures	<u>-</u>	<u>179,273</u>	<u>-</u>	<u>179,273</u>
Total Additions, net	<u>152,149,930</u>	<u>12,515,801</u>	<u>25,721,621</u>	<u>190,387,352</u>
<b>DEDUCTIONS</b>				
Benefits:				
Annuities:				
Retirees	77,008,990	-	-	77,008,990
Survivors	4,811,473	-	-	4,811,473
Disability	<u>18,559,929</u>	<u>-</u>	<u>-</u>	<u>18,559,929</u>
Total Benefits	<u>100,380,392</u>	<u>-</u>	<u>-</u>	<u>100,380,392</u>
Member refunds	739,051	866,588	11,104,092	12,709,731
Administrative expenses	<u>2,007,326</u>	<u>210,398</u>	<u>16,967</u>	<u>2,234,691</u>
Total Deductions	<u>103,126,769</u>	<u>1,076,986</u>	<u>11,121,059</u>	<u>115,324,814</u>
Net Increase	49,023,161	11,438,815	14,600,562	75,062,538
Net Assets - Beginning of Year	<u>1,677,520,118</u>	<u>28,775,904</u>	<u>184,990,060</u>	<u>1,891,286,082</u>
Net Assets - End of Year	<u>\$ 1,726,543,279</u>	<u>\$ 40,214,719</u>	<u>\$ 199,590,622</u>	<u>\$ 1,966,348,620</u>

MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
 PRIVATE PURPOSE TRUST FUNDS  
 JUNE 30, 2003  
**Exhibit E-3**

	Private Contributions	Court Appointed Guardians	Tri- centennial	Strathmore Hall	Total
<b>ASSETS</b>					
Equity in pooled cash and investments	\$1,301,501	\$ 63,767	\$ 5,779	\$ 1,141,385	\$ 2,512,432
Prepays	-	-	-	75,000	75,000
Total Assets	1,301,501	63,767	5,779	1,216,385	2,587,432
<b>LIABILITIES</b>					
Accounts payable	5,776	-	-	-	5,776
Total Liabilities	5,776	-	-	-	5,776
<b>NET ASSETS</b>					
Held in trust	<u>\$1,295,725</u>	<u>\$ 63,767</u>	<u>\$ 5,779</u>	<u>\$ 1,216,385</u>	<u>\$ 2,581,656</u>

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
PRIVATE PURPOSE TRUST FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit E-4**

	Private Contributions	Court Appointed Guardians	Tri- centennial	Strathmore Hall	Total
<b>ADDITIONS</b>					
Member contributions	\$ 826,906	\$ 34,280	\$ -	\$ -	\$ 861,186
Investment income (loss)	8,746	1,170	-	18,194	28,110
Other interest income	-	-	91	-	91
Net Investment Income (Loss)	<u>8,746</u>	<u>1,170</u>	<u>91</u>	<u>18,194</u>	<u>28,201</u>
Total Additions, net	<u>835,652</u>	<u>35,450</u>	<u>91</u>	<u>18,194</u>	<u>889,387</u>
<b>DEDUCTIONS</b>					
Program expenses	<u>459,358</u>	<u>36,050</u>	<u>-</u>	<u>65,000</u>	<u>560,408</u>
Total Deductions	<u>459,358</u>	<u>36,050</u>	<u>-</u>	<u>65,000</u>	<u>560,408</u>
Net Increase (Decrease)	376,294	(600)	91	(46,806)	328,979
Net Assets - Beginning of Year	<u>919,431</u>	<u>64,367</u>	<u>5,688</u>	<u>1,263,191</u>	<u>2,252,677</u>
Net Assets - End of Year	<u>\$ 1,295,725</u>	<u>\$ 63,767</u>	<u>\$ 5,779</u>	<u>\$ 1,216,385</u>	<u>\$ 2,581,656</u>

MONTGOMERY COUNTY, MARYLAND  
 ALL AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit E-5**

	Balance June 30, 2002	Additions	Deductions	Balance June 30, 2003
<b><u>RECREATION ACTIVITIES FUND</u></b>				
ASSETS				
Equity in pooled cash and investments	\$ 1,598,291	\$ 14,180,950	\$ 13,938,137	\$ 1,841,104
Accounts receivable	13,083	55,295	53,658	14,720
Total Assets	<u>\$ 1,611,374</u>	<u>\$ 14,236,245</u>	<u>\$ 13,991,795</u>	<u>\$ 1,855,824</u>
LIABILITIES				
Accounts payable	\$ 5,321	\$ 2,793,912	\$ 2,792,133	\$ 7,100
Other liabilities	1,606,053	11,442,333	11,199,662	1,848,724
Total Liabilities	<u>\$ 1,611,374</u>	<u>\$ 14,236,245</u>	<u>\$ 13,991,795</u>	<u>\$ 1,855,824</u>
<b><u>PROPERTY TAX FUND</u></b>				
ASSETS				
Equity in pooled cash and investments	\$ 35,241,327	\$ 1,423,743,699	\$ 1,426,359,212	\$ 32,625,814
Property taxes receivable	7,552,763	245,164,003	245,752,983	6,963,783
Other receivables	894,492	-	517,479	377,013
Total Assets	<u>\$ 43,688,582</u>	<u>\$ 1,668,907,702</u>	<u>\$ 1,672,629,674</u>	<u>\$ 39,966,610</u>
LIABILITIES				
Escrow deposits	\$ 637,673	\$ 137,305	\$ 128,629	\$ 646,349
Due to other governments	86,922	229,713,782	228,484,418	1,316,286
Uncollected property taxes due to governments	7,228,853	246,057,920	246,322,990	6,963,783
Undistributed taxes and refunds	14,280,591	1,201,129,903	1,204,251,070	11,159,424
Tax sale surplus and redemptions payable	4,397,405	4,150,083	4,457,262	4,090,226
Other liabilities	17,057,138	141,005,681	142,272,277	15,790,542
Total Liabilities	<u>\$ 43,688,582</u>	<u>\$ 1,822,194,674</u>	<u>\$ 1,825,916,646</u>	<u>\$ 39,966,610</u>
<b><u>MISCELLANEOUS AGENCY FUND</u></b>				
ASSETS				
Equity in pooled cash and investments	\$ 2,566,200	\$ 11,592,363	\$ 10,834,922	\$ 3,323,641
Cash	65,249	17,349	2,881	79,717
Accounts receivable	-	17,823	-	17,823
Total Assets	<u>\$ 2,631,449</u>	<u>\$ 11,627,535</u>	<u>\$ 10,837,803</u>	<u>\$ 3,421,181</u>
LIABILITIES				
Due to other governments	\$ 166,981	\$ 524,855	\$ 501,691	\$ 190,145
Other liabilities	2,464,468	15,285,256	14,518,688	3,231,036
Total Liabilities	<u>\$ 2,631,449</u>	<u>\$ 15,810,111</u>	<u>\$ 15,020,379</u>	<u>\$ 3,421,181</u>

(Continued)

MONTGOMERY COUNTY, MARYLAND  
ALL AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES, CONCLUDED  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit E-5**

	Balance June 30, 2002	Additions	Deductions	Balance June 30, 2003
<b><u>TOTALS - ALL AGENCY FUNDS</u></b>				
ASSETS				
Equity in pooled cash and investments	\$ 39,405,818	\$ 1,449,517,012	\$ 1,451,132,271	\$ 37,790,559
Cash	65,249	17,349	2,881	79,717
Property taxes receivable	7,552,763	245,164,003	245,752,983	6,963,783
Accounts receivable	13,083	73,118	53,658	32,543
Other receivables	894,492	-	517,479	377,013
Due from other governments	-	-	-	-
Total Assets	<u>\$ 47,931,405</u>	<u>\$ 1,694,771,482</u>	<u>\$ 1,697,459,272</u>	<u>\$ 45,243,615</u>
LIABILITIES				
Accounts payable	\$ 5,321	\$ 2,793,912	\$ 2,792,133	\$ 7,100
Escrow deposits	637,673	137,305	128,629	646,349
Due to component units	-	-	-	-
Due to other governments	253,903	230,238,637	228,986,109	1,506,431
Uncollected property taxes due to governments	7,228,853	246,057,920	246,322,990	6,963,783
Undistributed taxes and refunds	14,280,591	1,201,129,903	1,204,251,070	11,159,424
Tax sale surplus and redemptions payable	4,397,405	4,150,083	4,457,262	4,090,226
Other liabilities	21,127,659	167,733,270	167,990,627	20,870,302
Total Liabilities	<u>\$ 47,931,405</u>	<u>\$ 1,852,241,030</u>	<u>\$ 1,854,928,820</u>	<u>\$ 45,243,615</u>

## **NONMAJOR COMPONENT UNITS**

MONTGOMERY COUNTY, MARYLAND  
COMBINING STATEMENT OF NET ASSETS  
NONMAJOR COMPONENT UNITS  
JUNE 30, 2003  
**Exhibit F-1**

	BUPI	MCRA	MCC	Total
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ -	\$ -	\$ 23,173,131	\$ 23,173,131
Cash	184,437	1,020,569	1,331,371	2,536,377
Investments - cash equivalents	-	1,029,383	30,593,140	31,622,523
Receivables (net of allowances for uncollectables):				
Capital leases	-	19,101,173	-	19,101,173
Accounts	60,660	90,330	1,587,770	1,738,760
Other	-	-	1,463,239	1,463,239
Due from primary government	33,624	-	4,888,463	4,922,087
Due from other governments	6,619	1,163	4,141,639	4,149,421
Inventory of supplies	-	365,921	1,065,351	1,431,272
Prepays	16,389	17,706	163,339	197,434
Deferred charges	-	743,556	-	743,556
Other assets	3,942	19,680	160,888	184,510
Restricted Assets:				
Cash	-	178,377	-	178,377
Investments - cash equivalents	-	17,676,542	-	17,676,542
Capital assets:				
Nondepreciable assets	-	23,935,485	39,513,372	63,448,857
Depreciable assets, net	285,313	15,880,895	119,774,713	135,940,921
Total Assets	<u>590,984</u>	<u>80,060,780</u>	<u>227,856,416</u>	<u>308,508,180</u>
<b>LIABILITIES</b>				
Accounts payable	83,671	206,137	6,997,824	7,287,632
Interest payable	-	811,802	-	811,802
Retainage payable	-	-	987,811	987,811
Accrued liabilities	99,101	367,059	-	466,160
Deposits	-	66,992	-	66,992
Due to primary government	433	1,140,680	2,256,512	3,397,625
Deferred revenue	91,870	120,597	3,966,281	4,178,748
Other liabilities	-	68,320	-	68,320
Noncurrent liabilities:				
Due within one year	-	3,080,089	259,905	3,339,994
Due in more than one year	-	55,958,613	27,922,112	83,880,725
Total Liabilities	<u>275,075</u>	<u>61,820,289</u>	<u>42,390,445</u>	<u>104,485,809</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	285,313	10,854,385	159,240,663	170,380,361
Restricted for:				
Capital projects	-	311,576	-	311,576
Debt service	-	5,690,976	-	5,690,976
Other purposes	-	1,198	1,960,307	1,961,505
Unrestricted	30,596	1,382,356	24,265,001	25,677,953
Total net assets	<u>\$ 315,909</u>	<u>\$ 18,240,491</u>	<u>\$ 185,465,971</u>	<u>\$ 204,022,371</u>



MONTGOMERY COUNTY, MARYLAND  
 COMBINING STATEMENT OF ACTIVITIES  
 NONMAJOR COMPONENT UNITS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit F-2**

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	BUPI	MCRA	MCC	Total
Component Units:								
General government	\$ 2,533,481	\$ 2,205,683	\$ 185,063	\$ -	\$ (142,735)	\$ -	\$ -	\$ (142,735)
Culture and recreation	13,245,221	10,529,269	-	38,544	-	(2,677,408)	-	(2,677,408)
Education	164,373,640	51,832,401	15,092,583	2,353,031	-	-	(95,095,625)	(95,095,625)
Total component units	<u>\$ 180,152,342</u>	<u>\$ 64,567,353</u>	<u>\$ 15,277,646</u>	<u>\$ 2,391,575</u>	<u>(142,735)</u>	<u>(2,677,408)</u>	<u>(95,095,625)</u>	<u>(97,915,768)</u>
General revenues:								
Grants and contributions not restricted to specific programs					5,316	-	122,184,947	122,190,263
Investment Income					-	131,741	545,062	676,803
Gain on sale of capital assets					3,577	-	-	3,577
Total general revenues					8,893	131,741	122,730,009	122,870,643
Change in net assets					(133,842)	(2,545,667)	27,634,384	24,954,875
Net assets - beginning					449,751	20,786,158	157,831,587	179,067,496
Net assets - ending					<u>\$ 315,909</u>	<u>\$ 18,240,491</u>	<u>\$ 185,465,971</u>	<u>\$ 204,022,371</u>

**CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS**

MONTGOMERY COUNTY, MARYLAND  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE <sup>1</sup>  
JUNE 30, 2003  
**Exhibit G-1**

	<b>Totals</b>
Governmental Funds Capital Assets:	
Land	\$ 468,587,987
Buildings	486,933,161
Improvements other than buildings	43,873,299
Furniture, fixtures, equipment, and machinery	151,318,541
Automobiles and trucks	86,819,947
Infrastructure	1,324,726,085
Other assets	7,058,182
Construction in progress	215,430,898
Total Governmental Funds Capital Assets	<u>\$ 2,784,748,100</u>
Investment in Governmental Funds Capital Assets by Source:	
General Fund	\$ 19,017,386
Special revenue funds	60,007,885
State grants	8,938,964
Federal grants	4,411,226
Developer donated - principally roads	818,909,343
Capital Projects Fund - principally general obligation bonds	1,873,463,296
Total Governmental Funds Capital Assets	<u>\$ 2,784,748,100</u>

<sup>1</sup>This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

MONTGOMERY COUNTY, MARYLAND  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION <sup>1</sup>  
JUNE 30, 2003  
Exhibit G-2

Function	Total	Land	Buildings and Improvements*	Furniture, Fixtures, Equipment and Machinery	Automobiles and Trucks	Infrastructure	Other Assets
General government	\$ 252,690,384	\$ 54,138,683	\$174,439,969	\$ 17,039,195	\$ 103,866	\$ -	\$6,968,671
Public safety	297,503,320	13,417,977	147,453,292	109,643,706	26,898,834	-	89,511
Public works and transportation	1,661,824,326	236,947,136	43,531,089	22,936,300	59,710,445	1,298,699,356	-
Health and human services	33,976,662	6,355,694	26,908,907	605,259	106,802	-	-
Culture and recreation	201,551,521	93,956,649	106,533,342	1,061,530	-	-	-
Community development and housing	93,971,602	43,518,922	30,136,732	19,775	-	20,296,173	-
Environment	27,799,387	20,252,926	1,803,129	12,776	-	5,730,556	-
Total Fixed Assets Allocated by Function	2,569,317,202	\$ 468,587,987	\$530,806,460	\$ 151,318,541	\$86,819,947	\$1,324,726,085	\$7,058,182
Construction in Progress	215,430,898						
Total General Fixed Assets	<u>\$2,784,748,100</u>						

\* Includes buildings, and improvements other than buildings.

<sup>1</sup>This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

MONTGOMERY COUNTY, MARYLAND  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUND  
SCHEDULE OF CHANGES BY FUNCTION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003  
**Exhibit G-3**

Function	Governmental Funds			Governmental Funds
	Capital Assets July 1, 2002	Additions	Deductions	Capital Assets June 30, 2003
General government	\$ 249,262,454	\$ 7,014,281	\$ 3,586,351	\$ 252,690,384
Public safety	97,468,982	201,205,714	1,171,376	297,503,320
Public works and transportation	1,526,383,284	136,431,499	990,457	1,661,824,326
Health and human services	33,929,271	98,800	51,409	33,976,662
Culture and recreation	186,312,890	16,354,107	1,115,476	201,551,521
Community development and housing	89,091,042	4,880,560	-	93,971,602
Environment	20,388,654	7,435,560	24,827	27,799,387
Construction in progress	406,654,144	136,827,327	328,050,573	215,430,898
Total General Fixed Assets	<u>\$ 2,609,490,721</u>	<u>\$ 510,247,848</u>	<u>\$ 334,990,469</u>	<u>\$ 2,784,748,100</u>

<sup>1</sup>This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

## **INDEX**

# INDEX

<u>Fund Titles</u>	<u>Page</u>			
	<u>Statements/Schedules</u>			
	<u>Balance Sheet/ Net Assets</u>	<u>Changes in Net Assets</u>	<u>Cash Flows</u>	<u>Budgetary</u>
<b>Montgomery County, Maryland - Primary Government:</b>				
Agricultural Transfer Tax Special Revenue	112	113	-	-
Cable TV Special Revenue	105	107	-	126
Capital Projects	26	28	-	115
Central Duplicating Internal Service	140	141	142	-
Community Use of Public Facilities Enterprise	132	133	134	135
Court Appointed Guardians Private Purpose Trust	147	148	-	-
Debt Service	26	28	-	114
Deferred Compensation POEB * Trust	145	146	-	-
Drug Enforcement Forfeitures Special Revenue	112	113	-	129
Economic Development Special Revenue	104	106	-	125
Employee Health Benefits Self-Insurance Internal Service	140	141	142	143
Employees' Retirement Saving Plan POEB * Trust	145	146	-	-
Employees' Retirement System POEB * Trust	145	146	-	-
Fire Tax District Special Revenue	108	109	-	117
General	26	28	-	30
Grants Special Revenue	105	107	-	127
Housing Initiative Special Revenue	110	111	-	122
HOC Treasury Bonds Permanent	105	107	-	-
Investment Trust	37	38	-	-
Liability and Property Coverage Self-Insurance Internal Service	140	141	142	143
Liquor Enterprise	34	35	36	135
Mass Transit Facilities Special Revenue	108	109	-	118
Miscellaneous Agency	149	-	-	-
Motor Pool Internal Service	140	141	142	-
New Home Warranty Security Special Revenue	110	111	-	124
Noise Abatement Districts Special Revenue	108	109	-	121
Parking Lot Districts Enterprise	34	35	36	137
Permitting Services Enterprise	132	133	134	135
Private Contributions Private Purpose Trust	147	148	-	-
Property Tax Agency	149	-	-	-

(Continued)

## I N D E X, Concluded

<u>Fund Titles</u>	<u>Page</u>			
	<u>Statements/Schedules</u>			
	<u>Balance Sheet/ Net Assets</u>	<u>Changes in Net Assets</u>	<u>Cash Flows</u>	<u>Budgetary</u>
Recreation Activities Agency	149	-	-	-
Recreation Special Revenue	108	109	-	116
Rehabilitation Loan Special Revenue	110	111	-	123
Restricted Donations Special Revenue	112	113	-	130
Revenue Stabilization Special Revenue	104	106	-	124
 Solid Waste Disposal and Collection Enterprise	 34	 35	 36	 136
Strathmore Hall Private Purpose Trust	147	148	-	-
 Tri-centennial Private Purpose Trust	 147	 148	 -	 -
 Urban Districts Special Revenue	 108	 109	 -	 119
 Water Quality Protection Special Revenue	 112	 113	 -	 129
<b>Component Units:</b>				
Bethesda Urban Partnership, Inc.	152	153	-	-
Housing Opportunities Commission of Montgomery County	39	40	-	-
Montgomery Community College	152	153	-	-
Montgomery County Public Schools	39	40	-	-
Montgomery County Revenue Authority	152	153	-	-

\* POEB = Pension and Other Employee Benefit